Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: Exxon Corporation

3. ADDRESS OF OPERATOR: P. O. Box 1600, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1960' FEL & 2975' FSL of Section SW NE
At proposed prod. zone: irregular section

5. LEASE DESIGNATION AND SERIAL NO.: SLC-066312

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME: Walker Hollow Unit

8. FARM OR LEASE NAME: Walker Hollow Unit

9. WELL NO.: 43

10. FIELD AND POOL, OR WILDCAT: Walker Hollow Field

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 1, T7S, R23E

12. COUNTY OR PARISH: Uintah

13. STATE: Utah

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 30 miles southeast from Vernal

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 800'

16. NO. OF ACRES IN LEASE: 3,224.20

17. NO. OF ACRES ASSIGNED TO THIS WELL:

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 1,700'

19. PROPOSED DEPTH: 5,700' Green River

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): Ungraded Gr. 5,389'

22. APPROX. DATE WORK WILL START*: July 15, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36#	400'	310 Cu. Ft.
8 3/4"	7"	20 & 23#	5600'	700 Cu. Ft.

RECEIVED
APR 17 1980
DIVISION OF
OIL, GAS & MINING

APPROVED BY THE DIVISION
OF OIL, GAS, AND MINING
DATE: 4-21-80
BY: M. J. Minder

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Melba Knipling TITLE Proration Specialist DATE April 14, 1980

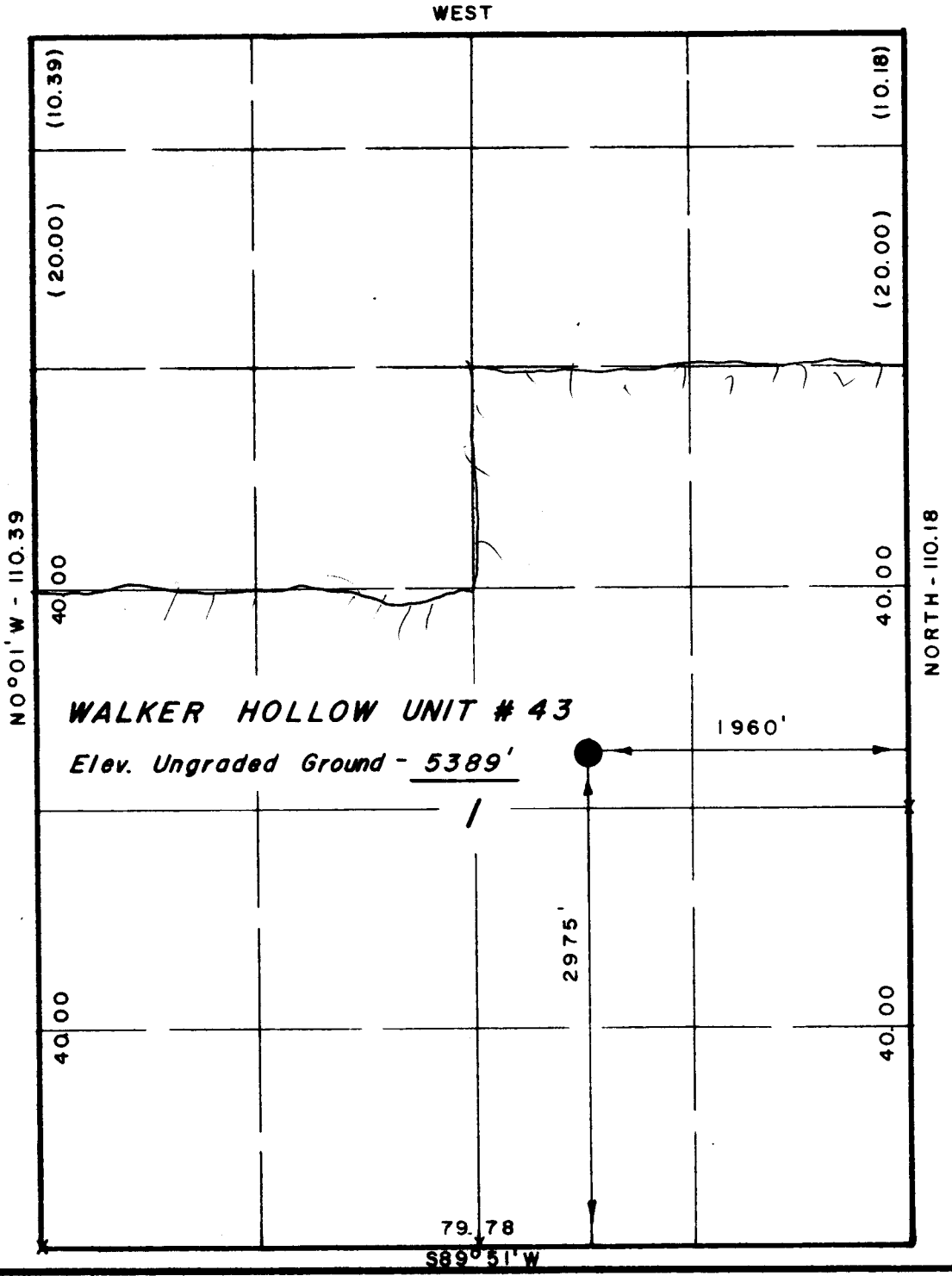
(This space for Federal or State office use)

PERMIT NO. 43-047-30687 APPROVAL DATE 4/21/80

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

T 7 S , R 23 E, S.L.B.&M.



PROJECT

EXXON COMPANY U.S.A.

Well location, *WALKER HOLLOW UNIT # 43*, located as shown in the SW 1/4 NE 1/4 Section 1, T 7 S, R 23 E, S.L.B.&M. Uintah County, Utah.

X = Section Corners Located

N

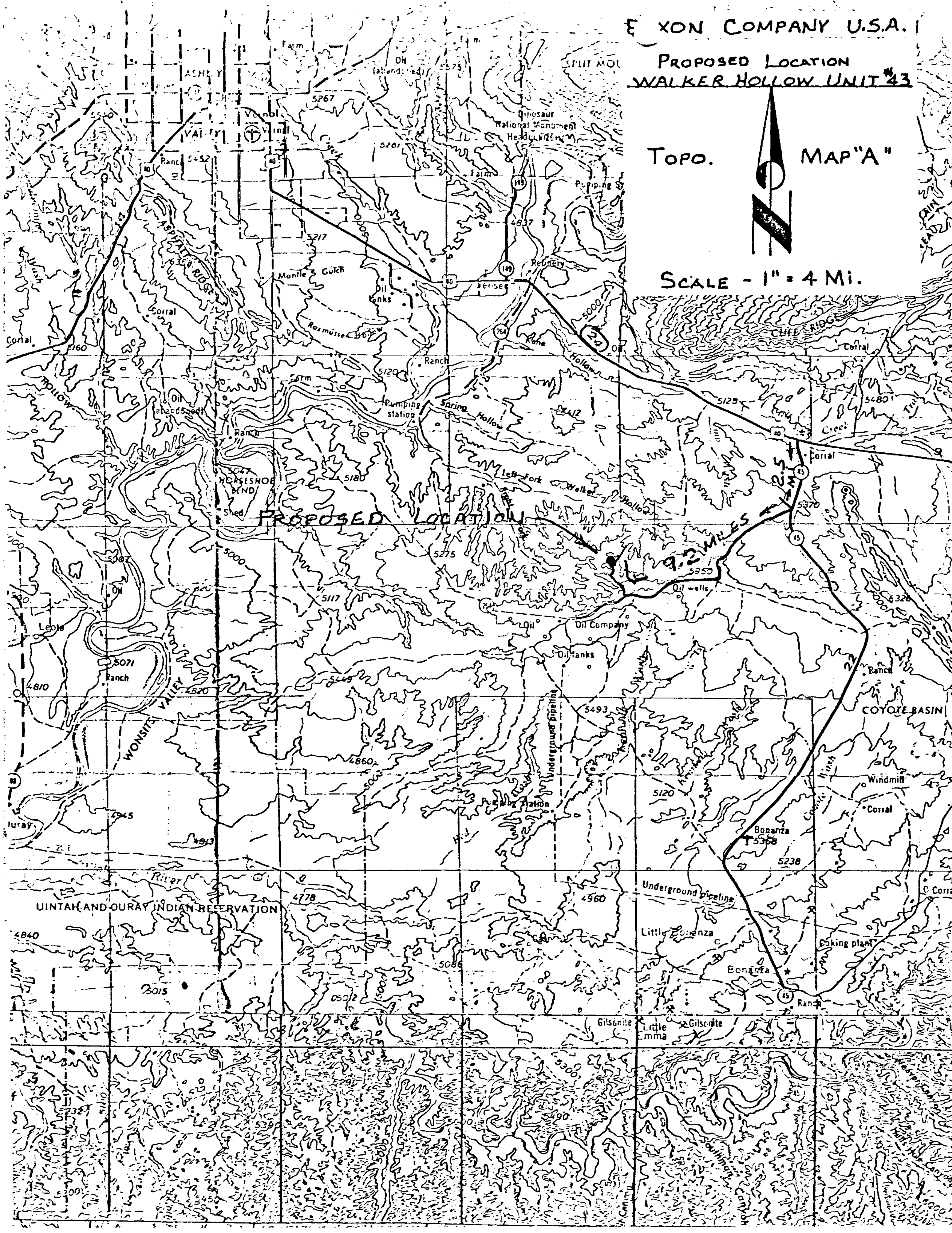
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION Nº 2454
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
P.O. BOX Q ~ 110 EAST - FIRST SOUTH
VERNAL, UTAH - 84078

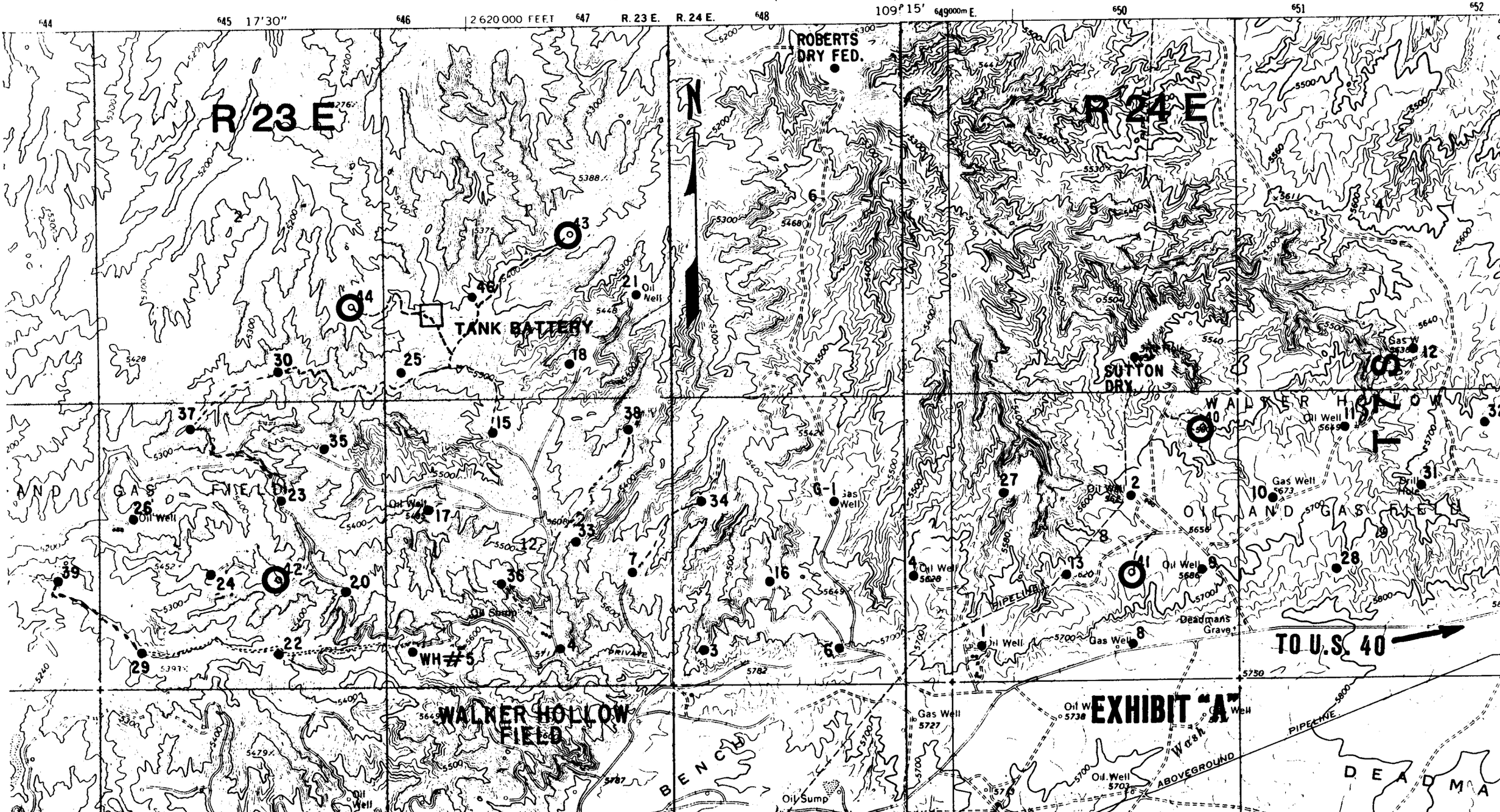
SCALE 1" = 1000'	DATE 4 / 4 / 80
PARTY N.M. D.B. D.D. S.B.	REFERENCES G L O Plat
WEATHER Snow & Cloudy	FILE EXXON



E XON COMPANY U.S.A.
PROPOSED LOCATION
WALKER HOLLOW UNIT #43
TOPO.
MAP "A"
SCALE - 1" = 4 Mi.
PROPOSED LOCATION
9.2 MILES
2.5 MI.
Vernal
Jensen
ASPHALT RIDGE
CLIFF RIDGE
Dinosaur National Monument Headquarters
HORSESHOE BEND
Left Fork
Walker Hollow
Spring Hollow
Kane Hollow
Pumping station
Oil Company
Oil tanks
Oil wells
Underground pipeline
Leota
Ouray
WONSITS VALLEY
COYOTE BASIN
UINTAH AND OURAY INDIAN RESERVATION
Little Bonanza
Bonanza
Coking plant
Windmill
Corral
Ranch
Gilsonite
Little Emma

RED WASH QUADRANGLE
UTAH—UINTAH CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



WALKER HOLLOW UNIT NO. 43
Sec. 1, T7S, R23E
UINTAH COUNTY, UTAH
April 10, 1980

1. The geologic name of the surface formation: Tertiary

2. The estimated tops of important geological markers:

Green River	2,850'
Green River "D" Zone, Upper 4-A	4,439'
Green River "D" Zone, Lower	5,324'

3. The estimated depths at which anticipated water, oil, gas, or other mineral-bearing formations are expected to be encountered:

Fresh Water	Surface to 2,975'
Oil and Gas	4,439' to TD

4. Proposed Casing Program:

String	Depth Interval	Size	Weight/Grade	Condition
Surface	0-400'	9-5/8"	36#/K-55	New or Used
Production	0-5600'	7"	20 & 23#/K-55	New or Used

5. Minimum specifications for pressure control equipment:

   a. Wellhead Equipment - Threaded type 2000 psi WP.

   b. Blowout Preventers - Refer to attached drawing and list of equipment titled "type II-C" for description of BOP stack and choke manifold.

   c. BOP Control Unit - Unit will be hydraulically operated and have at least 3 control stations.

   d. Testing - When installed on the 9-5/8" surface casing the BOP stack will be tested to a low pressure (200-300 psi) and to 1500 psi. Casing rams will be tested in like manner when installed prior to running production casing. An operational test of the blow-out preventers will be performed on each round trip (but not more than once each day); the annular and pipe ram preventers will be closed on drill pipe, and the blind rams will be closed while pipe is out of the hole.

6. Type and anticipated characteristics of drilling fluid:

Depth Interval	Mud Type
0-Surface Casing Seat	Fresh Water Spud Mud
Surface Casing Seat - 2800'	Fresh Water (Uncontrolled Properties)
2800-TD	8.5-9.1 ppg Fresh Water Mud

Not less than 200 barrels of fluid will be maintained in the pits. Weighting material should not be needed.

WALKER HOLLOW UNIT NO. 43
April 10, 1980

7. Auxiliary Control Equipment:

   a. Kelly Cocks: Upper and lower installed on kelly.

   b. Safety Valve: Full opening ball type to fit each type and size of drill pipe in use will be available on rig floor at all times, in open position for stabbing into drill pipe when kelly is not in the string.

   c. Trip tank to insure that hole is full and takes proper amount of fluid on trips. Will be used during drilling of production hole.

8. Testing, Logging, Coring, and Completion Programs:

   a. Logging: DIL, Sonic, FDC-CNL-GR-Cal, and Repeat Formation Tester. Mud logger from approximately 2500' to TD.

   b. No cores or DST's are planned.

   c. Completion - Formation: Green River "D"

      Proposed Completion Procedure: Frac selectively with Polymulsion and sand. See attached wellsite layout for approximate positioning of completion equipment.

   d. Production method: Rod pump through 2-7/8" tubing.

9. No abnormal pressure or hydrogen sulfide hazards are anticipated.

10. Starting date of drilling operations will depend on rig availability. Subject to rig availability, we anticipate that drilling and completion operations will begin about Aug. 1, 1980 and be finished by September 1, 1980.

RSW/dg

BLOWOUT PREVENTER SPECIFICATION
EQUIPMENT DESCRIPTION

TYPE II-C

All equipment should be at least 2000 psi WP or higher unless otherwise specified.

1. Bell nipple.
2. Hydril or Shaffer bag type preventer.
3. Ram type pressure operated blowout preventer with blind rams.
4. Flanged spool with one 4-inch and one 2-inch (minimum) outlet.
5. 2-inch (minimum) flanged plug or gate valve.
6. 2-inch by 2-inch by 2-inch (minimum) flanged tee.

8. 4-inch flanged gate or plug valve.
9. Ram type pressure operated blowout preventer with pipe rams.
10. Flanged type casing head with one side outlet (furnished by Exxon).
11. 2-inch threaded (or flanged) plug or gate valve (furnished by Exxon). Flanged on 5000# WP, threaded on 3000# WP or less.
12. Needle valve (furnished by Exxon).
13. 2-inch nipple (furnished by Exxon).
14. Tapped bull plug (furnished by Exxon).
15. 4-inch flanged spacer spool.
16. 4-inch by 2-inch by 2-inch by 2-inch flanged cross.
17. 2-inch flanged plug or gate valve.
18. 2-inch flanged adjustable choke.
19. 2-inch threaded flange.
20. 2-inch XXH nipple.
21. 2-inch forged steel 90° Ell.
22. Cameron (or equal.) threaded pressure gage.
23. Threaded flange.

35. 2-inch flanged tee.
36. 3-inch (minimum) hose. (Furnished by Exxon).
37. Trip tank. (Furnished by Exxon).
38. 2-inch flanged plug or gate valve.
39. 2-1/2-inch pipe, 300' to pit, anchored.
40. 2-1/2-inch SE valve.
41. 2-1/2-inch line to steel pit or separator.

NOTES:

1. Items 3, 4 and 9 may be replaced with double ram type preventer with side outlets between the rams.

2. The two valves next to the stack on the fill and kill line to be closed unless drill string is being pulled.

3. Kill line is for emergency use only. This connection shall not be used for filling.

4. Replacement pipe rams and blind rams shall be on location at all times.

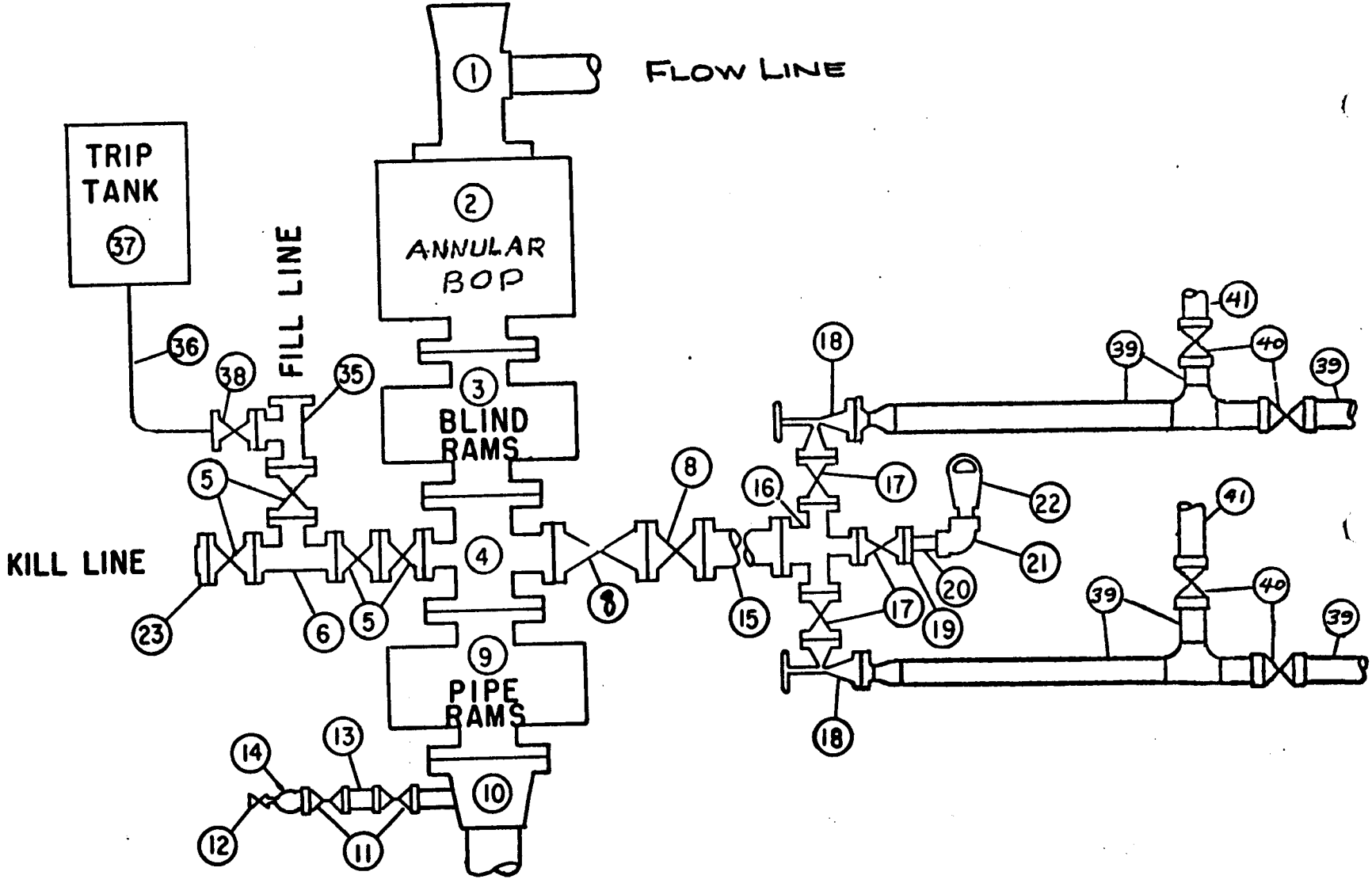
5. Only type U, LWS and QRC ram type preventers with secondary seals are acceptable for 5000 psi WP and higher BOP stacks.

6. Type E ram-type BOP's with factory modified side outlets may be used on 3000 psi or lower WP BOP stacks.

MIDLAND DRILLING ORGANIZATION

BLOWOUT PREVENTER SPECIFICATION

TYPE II - C



9/15/73

SURFACE USE PLAN

Exxon Corporation - Walker Hollow Unit
Well No. 40 - 662' FEL & 731' FNL of Section 8, T7S, R24E, Lease No. SLC-066357
Well No. 41 - 1980' FEL & 1980' FSL of Section 8, T7S, R24E, Lease No. U-02512
Well No. 42 - 2188' FEL & 2234' FSL of Section 11, T7S, R23E, Lease No. SLC-066357
Well No. 43 - 1960' FEL & 2975' FSL of Section 1, T7S, R23E, Lease No. SLC-066312
Road to serve Well No. 44, located in the SW/4 of Section 2, T7S, R23E, as shown in red on Exhibit "A". Uintah County, Utah

1. EXISTING ROADS - Area Map, Exhibit "A" is a composite of combined USGS quads.

   A. Exhibit "A" shows the proposed well sites as staked.

   B. From Vernal go easterly on Highway 40 approximately 20 miles thence southerly on Highway 264 for approximately 6 miles thence on oil field road 4 miles to locations.

   C. As shown on Exhibit "A", the following new roads will be built:

      Approximately 800' to Well No. 40
      Approximately 1,200' to Well No. 41
      No new road to Well No. 42
      Approximately 2,000' to Well No. 43
      Approximately 1,700' to Well No. 44

   D. The existing roads within a one-mile radius are shown on Exhibit "A".

   E. No improvements of existing roads will be required as the roads are being maintained in the oil field.

2. PLANNED ACCESS ROADS - Exhibit "A" shows the new access roads to be constructed.

   1) The roads will be 14' wide.

   2) The maximum grade will be less than 10 percent.

   3) No turnouts will be necessary.

   4) Drainage structures will be installed where necessary.

   5) No culverts will be necessary except for Well No. 44 which will require one culvert.

   6) The roads will be graveled where necessary.

   7) There will be no gates, cattleguards, or fence cuts.

   8) New roads have been center line flagged.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS -

1) Water Wells - None

2) Abandoned Wells - #9 as shown on Exhibit "C".

3) Temporarily abandoned Wells - None

4) Disposal Wells - None

5) Drilling Wells - None

6) Producing Wells - See Exhibit "C".

7) Shut-In Wells - #32 as shown on Exhibit "C".

8) Injection Wells - See Exhibit "C".

9) Monitoring or observations wells for other resources - None

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES -

A. Existing facilities within a one-mile radius of proposed locations.

1) A tank battery is located in the south central part of Section 12, T7S, R23E as shown on Exhibit "A".

2) Production facilities are located at the tank battery site.

3) Oil gathering lines are laid along the roads shown on Exhibit "A" to the producing wells in the area.

4) Gas gathering lines are laid along the roads shown on Exhibit "A".

5) Injection lines are laid along the roads shown on Exhibit "A" to the Injection Plant which falls off the map to the east.

6) Disposal lines where needed are laid along the road as shown on Exhibit "A".

B. Exxon will enlarge the existing tank battery in Section 12 and construct a new tank battery located along the road to Well No. 44. The battery location is in the southwest quarter of Section 1, T7S, R23E as shown on Exhibit "A".

C. Rehabilitation will be done on any disturbed areas no longer needed for operations after completion of the production facilities. This will consist of reshaping the existing surface and seeding as specified.

5. LOCATION AND TYPE OF WATER SUPPLY -

A. Water will be hauled over existing roads from the waterflood plant which is located approximately 3 miles east of the locations.

B. No new roads or pipelines will be needed for the water supply.

6. SOURCE OF CONSTRUCTION MATERIALS - Contractor will furnish gravel and haul from a source outside of the area.

7. WASTE DISPOSAL -

A. Drill cuttings will be disposed of in the reserve pit.

B. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for backfilling. (In event of a dry hole, pumpable liquid on the surface of the pit will be injected into the well to shorten the pit-drying period.)

C. Water produced during tests will be disposed of in the reserve pit. Oil produced during tests will be stored in test tanks until sold, at which time it will be hauled from site.

D. Sewage from trailer houses will drain into holes at least 10' deep, which will be kept covered until backfilled. An outdoor toilet will be provided for rig crews; this area will be backfilled during cleanup after rig move-out.

E. Trash, waste paper and garbage will be contained in a trash pit fenced with a small mesh wire to prevent wind-scattering during collection and burned; this pit is shown on the rig layout. Residue in the pit at completion of operations will be buried either within the pit or the reserve pit by at least 24" of cover.

F. When rig moves out, all trash and debris left at site will be contained to prevent scattering and will be either burned in trash pit or buried at least 24" deep within 30 days unless ground freeze prevents burial.

8. ANCILLARY FACILITIES - No camps, airstrips, et cetera, will be constructed.

9. WELLSITE LAYOUT -

A. Exhibit "B" (Scale 1" - 50') shows proposed wellsite layout.

B. This Exhibit indicates proposed location of mud, reserve, burn, and trash pits; pipe racks and other major rig components; living facilities; soil stockpile; parking area; and turn-in from access road.

C. Mud pits in the active circulating system will be steel pits, and the reserve pit is proposed to be unlined unless subsurface conditions encountered during pit construction indicate that lining is needed for lateral containment of fluids.

10. RESTORATION OF SURFACE -

A. Upon completion of the operation and burial of any trash and debris as discussed earlier, pits will be backfilled and leveled or contoured as soon as practical after drying-time. Drillsite surface will be reshaped to combat erosion, and stockpiled topsoil will be distributed to extent available.

Prior to leaving the drillsite upon rig move-out, any pit that is to remain open for drying will be fenced and so maintained until backfilled and reshaped.

B. Exxon will rehabilitate road as per BLM recommendations.

C. Revegetation of the drill pad will comply with USGS-BLM specifications.

D. Any oil on pits will be removed or otherwise disposed of to USGS-BLM approval.

E. Rehabilitation operations will start in the Spring after completion and be completed in the Fall to BLM specifications.

11. OTHER INFORMATION -

1) All locations are located on steep ridges with clay soil. There is very little vegetation. There are sparse cedar trees.

2) There is no surface use other than grazing. Well Nos. 40, 41, 42 and 43 are on Federal surface administered by the BLM, while Well No. 44 is on the State of Utah. The road, however, to Well No. 44 to the point where it enters Section 2 is on Federal surface.

3) There are no dwellings, archeological, historical or cultural sites apparent in the area.

4) There are no ponds, streams or water wells in the area.

5) There are no buildings of any kind in the area.

12. OPERATOR'S REPRESENTATIVE - Exxon's field representative for contact regarding compliance with the Surface Use Plan is:

H. G. Davidson
P. O. Box 1600
Midland, Texas 79702
Office Phone: 915/683-0263
Home Phone: 915/694-5324

13. CERTIFICATION -

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by the Exxon Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date April 14, 1980

H. G. Davidson
Division Drilling Manager

Oil and Gas Drilling EA #376-80

United States Department of the Interior
Geological Survey
2000 Administration Bldg.
1745 West 1700 South
Salt Lake City, Utah 84104

Usual Environmental Analysis

Date. May 16, 1980

Operator: Exxon Corporation Project or Well Name and No.: 43

Location: 1960' FEL & 2975' FSL Sec.: 1 T.: 7S R.: 23E

County: Uintah State: Utah Field/Unit: Walker Hollow

Lease No.: SLC-066312 Permit No.: N/A

Joint Field Inspection Date: May 1, 1980

Prepared By: Greg Darlington

Field Inspection Participants, Titles and Organizations:

Greg Darlington	U.S.G.S. - Vernal, Utah
Cory Bodman	BLM - Vernal, Utah
Wendell Westerfield	Exxon Corporation
Deb Casada	D.E. Casada Construction

Related Environmental Analyses and References:

(1) Unit Resource Analysis, Bonanza Planning Unit (08-05), BLM, Vernal, Utah.

Admin Compl?
Pad 175 x 325
Pit 75 x 150
2000' x 32' access road
2 8/10 ac
Back slope pad 5' x 425' (area)
Fresh w 0-3000'. Sur csg
Ck sur csg - stage collar Pg 6
→ Cond of Appr 1-3

lj 5/23/80

EA #376-80

DISCRIPTION OF PROPOSED ACTION

Proposed Action:

1. Location State: Utah

County: Uintah

1960' FEL, 2975' FSL, SW 1/4 NE 1/4

Section 1, T 7S, R 23E, S L M

2. Surface Ownership Location: Public

Access Road: Public

Status of
Reclamation Agreements: Sufficient. The BLM will be further consulted prior to the reclamation phases of the project.

3. Dates APD Filed: April 17, 1980.

APD Technically Complete: April 28, 1980.

APD Administratively Complete: April 17, 1980 .

4. Project Time Frame

Starting Date: Summer 1980 .

Duration of Drilling activities: 30 days.

A period of 30 to 60 days is normally necessary to complete a well for production if hydrocarbons are discovered. If a dry hole is drilled, recontouring and reseeding would normally occur within one year, revegetation or restoration may take several years. If the well is a producer, an indefinite period of time would occur between completion and rehabilitation.

5. Related actions of other federal or state agencies and Indian tribes:

None known.

6. Nearby pending actions which may affect or be affected by the proposed action:

None known.

7. Status of variance requests:

None known.

The following elements of the proposed action would/could result in environmental impacts:

1. A drill pad 175' wide x 325' long and a reserve pit 75' x 150' would be constructed with about 20' x 150' of that on the drill pad. Approximately 2000 feet of new access road, averaging 18' driving surface, would be constructed from a maintained road. 2.8 acres of disturbed surface would be associated with the project. Maximum disturbed width of access road would be limited to 32 feet.

   The construction of the pad would involve backsloping the northwest side which is mostly set on fill material. This would involve an additional 50' x 425' estimated disturbed area.

2. Drilling would be to a proposed depth of 5700 feet.

3. Waste disposal.

4. Traffic.

5. Water requirements.

6. Completion.

7. Production.

8. Transportation of hydrocarbons.

   Details of the proposed action are described in the Application for Permit to Drill.

Environmental Considerations of the Proposed Action:

Regional Setting/Topography: The location is on the north side of a hill. The location drains to the northwest of the pad into Walker Hollow. The hill has steep slopes beginning near the northwest side of the proposed pad.

PARAMETER

A. Geology

1. Other Local Mineral Resources to be Protected: The Oil Shale mahogany zone is anticipated to be at from 3860' - 4060' depth. This Oil Shale is considered leasable.

Information Source: Mineral Evaluation Report.

2. Hazards:

a. Land Stability: This is thought to be adequate for the proposed action.

Information Source: Field Observaton.

b. Subsidence Not likely to be a significant problem judging from the pad design. Over a period of several years erosion may have some effects on the northwest side of the pad. ? Not likely

Information Source: Field Observation.

c. Seismicity: The location is in an area of moderate seismic risk.

Information Source: Geologic Atlas of the Rocky Mountain Region, 1972, Rocky Mountain Accociation of Geologists, "Earthquakes of Record and Interpreted Seismicity 1852 - 1969".

d. High Pressure Zones/Blowout Prevention: No abnormal pressures or H_2S hazards are anticipated. BOP equipment is described in the APD.

Information Source: APD

B. Soils:

1. Soil Character: The soil is sandy clay with well-mixed shale and sandstone gravels.

Information Source: Field Observation.

2. Erosion/Sedimentation: Is likely to not be significant outside the proposed area of disturbance associated with the this project.

Information Source: Field Observation.

C. Air Quality: Limited temporary impacts during construction and drilling would occur.

Information Source: Field Observation.

D. Noise Levels: Limited temporary impacts during construction and drilling would occur.

Information Source: Field Observation.

E. Water Resources

1. Hydrologic Character

a. Surface Waters: Drainage is northwest to the large non-perennial drainage in Walker Hollow then proceeding to the Green River. Water supply would come from a waterflood plant about 3 miles from the location.

Information Source: APD and Field Observation.

b. Ground Waters: Fresh water may be encountered from 0' - 3000'. Saline water 3000' - 3500' and brackish water 5300' - 5700'.

Information Source: Mineral Evaluation Report.

2. Water Quality

a. Surface Waters: The location is a considerable distance from any surface waters. Care would be taken to maintain pit integrity.

Information Source: APD.

b. Ground Waters: About 400 feet of surface casing would be set to protect ground water aquifers.

Information Source. APD.

F. Flora and Fauna

1. Endangered and Threatened Species Determination

Based on the BLM comments received from Vernal District BLM on May 16, 1980, we determine that there would be no effect on endangered and threatened species and their critical habitat.

2. Flora: Vegetation consists juniper, desert shrubs and native grasses.

Information Source: Field Observation.

3. Fauna: Mule deer, antelope, rabbits, small rodents and various birds such as raptors, sparrows, crows and jays are known to frequent the area.

Information Source: Unit Resource Analysis, Bonanza Planning Unit, BLM, Vernal, Utah.

G. Land Uses

1. General: Grazing is the only surface use. The well is a development well in the Walker Hollow Field and is anticipated to be an oil well although gas may also be encountered.

Information Source: APD.

2. Affected Floodplains and/or Wetlands: None.

Information Source: Field Observation.

3. Roadless/Wilderness Area: Not Applicable.

Information Source: BLM Wilderness Inventory Map of Utah, August 1979.

H. Aesthetics: There is likely to be some adverse effects on aesthetics involved in this proposed project none of which are thought to be very significant.

Information Source: Field Observation.

I. Socioeconomics: This one well would have a minor impact. If it is successful this well would lead to cumulative impacts of more extensive and rapid oil and gas development of resources in and near the Walker Hollow Unit.

Information Source: Greg Darlington, Environmental Scientist, U.S.G.S.

J. Cultural Resources Determination: Based on the BLM comments received from Vernal District BLM on May 16, 1980, we determine that there would be no effect on cultural resources subject to an adequate archaeological clearance has been conducted for the location and access road.

Information Source: BLM Stipulation Letter.

K. Adequacy of Restoration Plans: Adequate. The BLM will be further consulted before reclamation activities commence.

Information Source: APD.

Alternatives to the Proposed Action:

1. Disapproving the proposed action or no action - If the proposed action is denied, no action would occur, the existing environment would remain in its present state, the lessee/operator would not realize any return on investments and the public would be denied a potential energy source.

2. Approving the project with the recommended stipulations - Under federal oil and gas leasing provisions, the Geological Survey has a responsibility to approve mineral development if the environmental consequences are not too severe or irreversible. Permanent damage to the surface and subsurface would be prevented as much as possible under USGS and Surface Management Agency supervision. Environmental impacts would be significantly mitigated.

Adverse Environmental Effects:

1. If approved as proposed:

a. About 2.8 acres of vegetation would be removed, increasing and accelerating erosion potential.

b. Pollution of groundwater systems could occur with the introduction of drilling fluids into the aquifer(s). The potential for interaquifer leakage and lost circulation is ever-present, depending on the casing program.

c. Minor air pollution would be induced on a temporary basis due to exhaust emissions from rig engines and support traffic.

d The potential for fires leaks, spills of gas and oil or water exists

e. During construction and drilling phases of the operation noise and dust levels would increase.

f. Distractions from aesthetics during the lifetime of the project would exist.

g. Erosion from the site would eventually be carried as sediment in the Green River. The potential for pollution to Green River would exist through leaks and spills.

h. If hydrocarbons would be discovered and produced, further development of the area could be expected to occur, which would result in the extraction of irreplaceable resource, and further negative environmental impacts. These impacts include the cumulative loss of wildlife habitat due to the areas necessary for roads, pipelines, drillsites, and transmission lines. These actions may disrupt wildlife social behavior and force habitat relocation over an extended period of time. In addition, the cumulative effects of non-point erosion become substantial in a developing field, primarily those located near perennial streams where siltation and sedimentation are critical to aquatic life cycles.

2. Conditional Approval:

a. All adverse impacts described in section one above could occur.

Recommended Approval Conditions

Drilling should be allowed, provided the following mitigative measures are incorporated into the proposed APD and adhered to by the operator:

1. See attached BLM Stipulations.

2. The operator is requested to furnish suitable logs covering all formation containing potentially valuable minerals subject to the Mineral Leasing Act of 1920. (See Mining Report).

3. Note any recommendations from the Oil Shale Office.

Controversial Issues and Conservation Division Response:

Presently none.

We have considered the proposed action in the preceding pages of this EA and find based on the analysis of environmental considerations provided therein, no evidence to indicate that it will significantly (40 CFR 1508.27) impact the quality of the human environment.

Determination:

I determine that the proposed action (as modified by the recommended approval conditions) does not constitute a major Federal action significantly affecting the quality of the human environment in the sense of NEPA, Section 102 (2)(C).

DISTRICT ENGINEER

Signature & Title of Approving Official

MAY 27 1980

Date

North View of
Exxon #43
Sec 1, T7S, R23E

M: DISTRICT GEOLOGIST, ME, SALT LAKE CITY, UTAH

: DISTRICT ENGINEER, O&G, SALT LAKE CITY, UTAH

BJECT: APD MINERAL EVALUATION REPORT

ERATOR: EXXON CORP

LEASE NO. SLC 06-12

WELL NO. 43-

CATION: SE ¼ SW ¼ NE ¼ sec. 1, T. 7 S, R. 23E, SLM

UINTAH County, UTAH

Stratigraphy:

UINTAH FM	0
GREEN RIVER FM	2850
MAHOGANY ZONE	3860
"D" ZONE UPPER 4-A	4439
"D" ZONE LOWER	5324
WASATCH FM	5656
TD	5700

Fresh Water:

FRESH WATER MAY BE ENCOUNTERED FROM 0-297 BRACKISH WATER FROM 5300'-5700'. SALINE WATERS MAY BE EXPECTED FROM 3000'-3500'.

Leasable Minerals:

OIL FROM TWO "D" ZONES OF GREEN RIVER FORMATION.

OIL SHALE FROM MAHOGANY ZONE (38-40) OF GREEN RIVER FORMATION.

Additional Logs Needed:

LOGGING PROGRAM SUFFICIENT

Potential Geologic Hazards:

NONE ANTICIPATED.

RECEIVED U.S. MAY 0 GEOLOGICAL

References and Remarks:

STRUCTURE MAP, MAHOGANY ZONE, GREEN RIVER FM. (UNPOLISHED)

gnature: Kenneth J Eck Date: 2 - MAY 1980

Grey

Exxon
1-75-23E
#43

Memorandum

To: District Oil and Gas Engineer, Mr. Edward Guynn

From: Mining, Supervisor, Mr. Jackson W. Moffitt

Subject: Application for Permit to Drill (form 9-331c) Federal oil and gas lease No. _____

1. The location appears potentially valuable for:

   ☐ strip mining*

   ☑ underground mining** oil shale

   ☐ has no known potential.

2. The proposed area is

   ☐ under a Federal lease for _____ under the jurisdiction of this office.

   ☑ not under a Federal lease under the jurisdiction of this office.

   ☑ Please request the operator to furnish resistivity, density, Gamma-Ray, or other appropriate electric logs covering all formations containing potentially valuable minerals subject to the Mineral Leasing Act of 1920.

*If location has strip mining potential:

Surface casing should be set to at least 50 feet below the lowest strip minable zone at _____ and cemented to surface. Upon abandonment, a 300-foot cement plug should be set immediately below the base of the minable zone.

**If location has underground mining potential:

The minable zones should be isolated with cement from a point 100 feet below the formation to 100 feet above the formation. Water-bearing horizons should be cemented in like manner. Except for salines or water-bearing horizons with potential for mixing aquifers, a depth of 4,000 feet has been deemed the lowest limit for cementing.

Which copy is official?

Signed Allen L. Vance

** FILE NOTATIONS **

DATE: April 17, 1980

Operator: Exxon Corporation

Well No: Walker Hollow Unit #43

Location: Sec. 1 T. 7S R. 23E County: Uintah

File Prepared: ✓ Entered on N.I.D.: ✓

Card Indexed: ✓ Completion Sheet: ✓

✓ API Number 43-047-30687

CHECKED BY:

Geological Engineer: _____

Petroleum Engineer: 4-21-80 M. J. Minder

Director: _____

APPROVAL LETTER:

Bond Required: ____ Survey Plat Required: ____

Order No. _____ O.K. Rule C-3 ____

Rule C-3(c), Topographic Exception/company owns or controls acreage within a 660' radius of proposed site ____

Unit approval

Lease Designation Fed - Unit Plotted on Map ✓

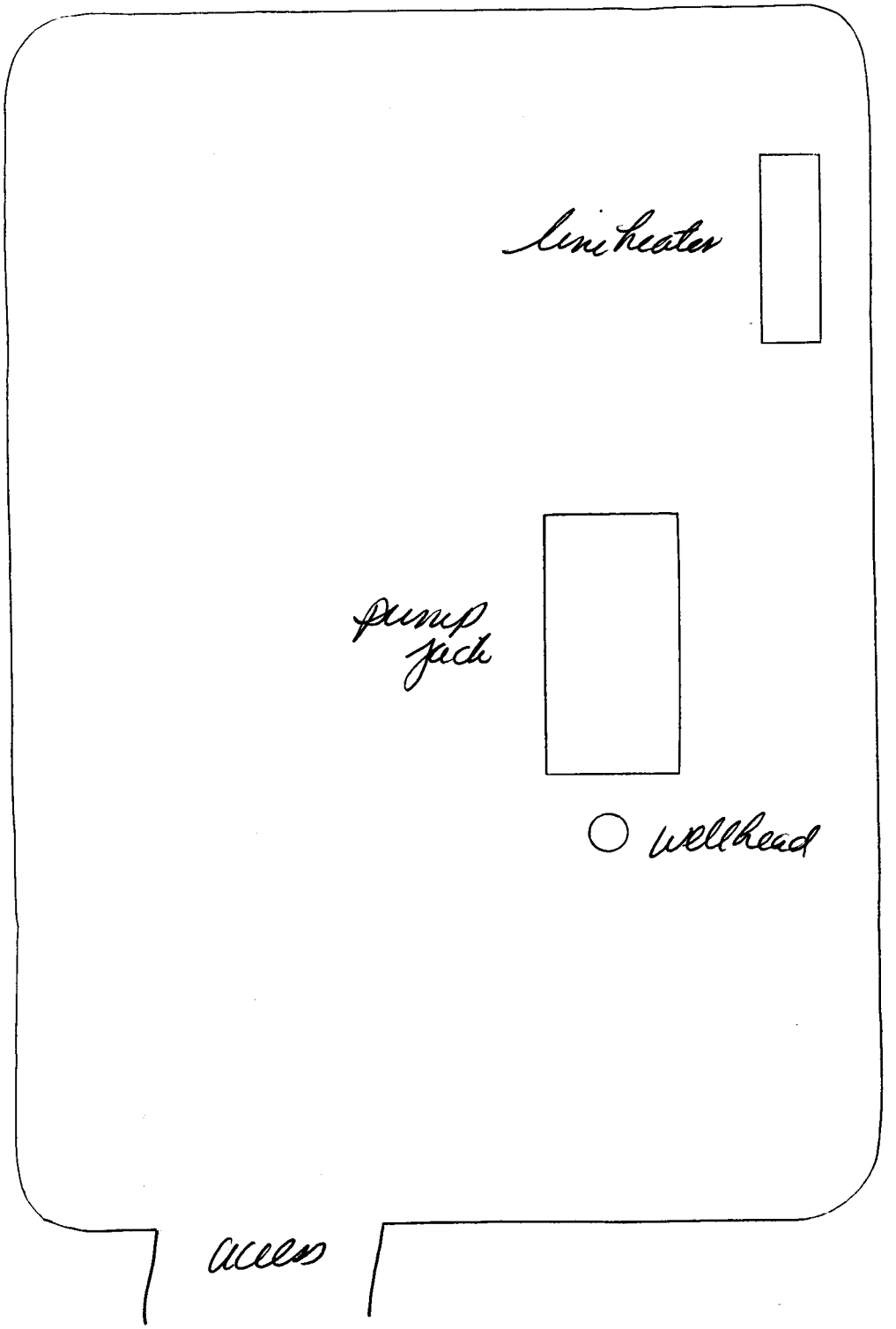
Approval Letter Written ✓

ltr

le

PI

WHU #43 | Sec 1, T50, R23E | OK bky 23 Aug 88



April 28, 1980

Exxon Corporation
P.O. Box 1600
Midland, Texas 79702

Re: Well No. Walker Hollow Unit #40, Sec. 8, T. 7S, R. 24E., Uintah County, Utah
Well No. Walker Hollow Unit #41, Sec. 8, T. 7S, R. 24E., Uintah County, Utah
Well No. Walker Hollow Unit #42, Sec. 11, T. 7S, R. 23E., Uintah County, Utah
Well No. Walker Hollow Unit #43, Sec. 1, T. 7S, R. 23E., Uintah County, Utah
Well No. Walker Hollow Unit #44, Sec. 2, T. 7S, R. 23E., Uintah County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil wells is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure.

Should you determine that it will be necessary to plug and abandon these wells, you are hereby requested to immediately notify the following:

Michael T. Minder - Petroleum Engineer
Office: 533-5771
Home: 876-3001

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (acquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hoursaafter drilling operations commence, and that the drilling contractor and rig number be identified.

The API numbers assigned to these wells are #40: -- 43-047-30690; #41: -- 43-047-30691; #42: -- 43-047-30692; #43: -- 43-047-30687; #44: -- 43-047-30688.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Michael T. Minder
Petroleum Engineer

/btm
cc: USGS
Donald Prince

Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DUPLICATE

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: Exxon Corporation

3. ADDRESS OF OPERATOR: P. O. Box 1600, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1960' FEL & 2975' FSL of Section
At proposed prod. zone:

5. LEASE DESIGNATION AND SERIAL NO.: SLC-066312

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME: Walker Hollow Unit

8. FARM OR LEASE NAME: Walker Hollow Unit

9. WELL NO.: 43

10. FIELD AND POOL, OR WILDCAT: Walker Hollow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 1, T7S, R23E

12. COUNTY OR PARISH: Uintah

13. STATE: Utah

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 30 miles southeast from Vernal

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 800'

16. NO. OF ACRES IN LEASE: 3,224.20

17. NO. OF ACRES ASSIGNED TO THIS WELL: 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 1,700'

19. PROPOSED DEPTH: 5,700'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): Ungraded Gr. 5,389'

22. APPROX. DATE WORK WILL START*: July 15, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36#	400'	310 Cu. Ft.
8 3/4"	7"	20 & 23#	5600'	700 Cu. Ft.

State of Utah, Department of Natural Resources
Division of Oil, Gas, and Mining
1588 West North Temple
Salt Lake City, Utah 84116

RECEIVED
MAY 30 1980
DIVISION OF OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Melba Knipling TITLE Proration Specialist DATE April 14, 1980

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY W P Martens FOR E. W. GUYNN DISTRICT ENGINEER TITLE _____ DATE MAY 29 1980

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A DATED 1/1/80

NOTICE OF APPROVAL

Ut. State O&G

United States Department of the Interior

IN REPLY REFER TO
T & R
U-802

BUREAU OF LAND MANAGEMENT
Vernal District Office
170 South 500 East
Vernal, Utah 84078

May 8, 1980

Ed Guynn, District Engineer
USGS, Conservation Division
2000 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104

Re: Exxon Corporation
Walker Hollow Unit
~~Well #40, Sec. 8,~~
~~T7S, R24E, SLC-066357~~
Well #41, Sec. 8,
T7S. R24E, U-02512
Well #42, Sec. 11,
T7S, R23E, SLC-066357
Well #43, Sec. 1,
T7S, R23E, SLC-066312
Uintah County, Utah

Dear Mr. Guynn:

A joint field examination was made on May 1, 1980, of the above referenced well site locations and proposed access roads. We feel that the surface use and operating plans are adequate with the following stipulations:

1. Construction and maintenance of roads, rehabilitation of disturbed areas, and construction of pipeline routes shall be in accordance with surface use standards as set forth in the brochure, "Surface Operating Standards for Oil and Gas Exploration and Development."

2. The BLM must be contacted at least 24 hours prior to any construction activities.

3. The BLM will be contacted at least 24 hours prior to any rehabilitation activities. The operator may be informed of any additional seeding and restoration requirements needed.

4. It was agreed to by all parties present that the applied-for pad dimensions are adequate to handle all drilling and fracturing operations.

5. Traveling off access road right-of-way will not be allowed. The maximum width of the access road will be 32 feet total disturbed area except where backslope and fills require additional area. Turn-outs will not be required. An 18 foot crowned road will be built. Bar ditches will be installed where needed.

6. There will be no burying of trash or garbage at the well sites.

7. The reserve pits will be fenced on three sides while the well is being drilled, with the fourth side being fenced immediately upon the removal of the drilling rig.

Site Specific:

Well #40 - A total 4-6 inches of top soil will be stockpiled. Some of the soil will be stored between referenced stake numbers 2 and 3, with the rest between numbers 6 and 7.

Well #41 - A total of 6-8 inches of top soil will be stockpiled between referenced stake numbers 2 and 3 and/or 6 and 7.

Well #42 - Due to the rugged terrain at this location, no top soil needs to be stockpiled.

For safety reasons a 20 foot crowned access road will be built, with a total disturbed area of 34 feet.

The proposed location and surrounding area were checked for evidence of deer, antelope or domestic livestock use and none was found. After considering the lack of animal use and the location of the proposed well it was decided that fencing of the reserve pits would be left to the discretion of the operator.

Well #43 - The top 4-6 inches of top soil will be stockpiled between corner reference stakes 6 and 7.

An archaeological clearance has been conducted by Archaeological - Environmental Research Corporation of the proposed drill sites, and proposed access roads. No cultural materials were located on the surface of the surveyed areas.

The proposed activities do not jeopardize listed threatened or endangered flora/fauna or their habitats.

The BLM representative will be Cory Bodman, 789-1362.

Sincerely,

Dean L. Evans
Area Manager
Bookcliffs Resource Area

cc: USGS, Vernal

United States Department of the Interior

GEOLOGICAL SURVEY
Conservation Division
8440 Federal Building
Salt Lake City, Utah 84138

4/24/80
Exxon Corp.
#43 1-7S-23E
Uintah County
EA # 376-80

RECEIVED
APR 28 1980
OFFICE OF
AREA OIL SHALE
U.S. G.S.

Mr. Peter Rutledge
Area Oil Shale Supervisor
Area Oil Shale Office
131 North Sixth, Suite 300
Grand Junction, Colorado 81501

Dear Mr. Rutledge,

The Office of Oil and Gas Operations, Conservation Division, received the attached Application for Permit to Drill, Deepen, or Plug Back (Form 9-331C).

Please review this proposal for any conflict with any of the resources in the oil shale tracts and withdrawal areas. If needed, set forth the stipulations you determine necessary for adequate protection. Please use the following space for your response (if there is none, so state), together with date and initials of person responsible and return to the Office of Oil and Gas Operations.

U.S. Geological Survey
8440 Federal Building
125 South State Street
Salt Lake City, Utah 84138

Exxon #43
Sec. 1, T.7 S., R. 23 E.

April 29, 1980

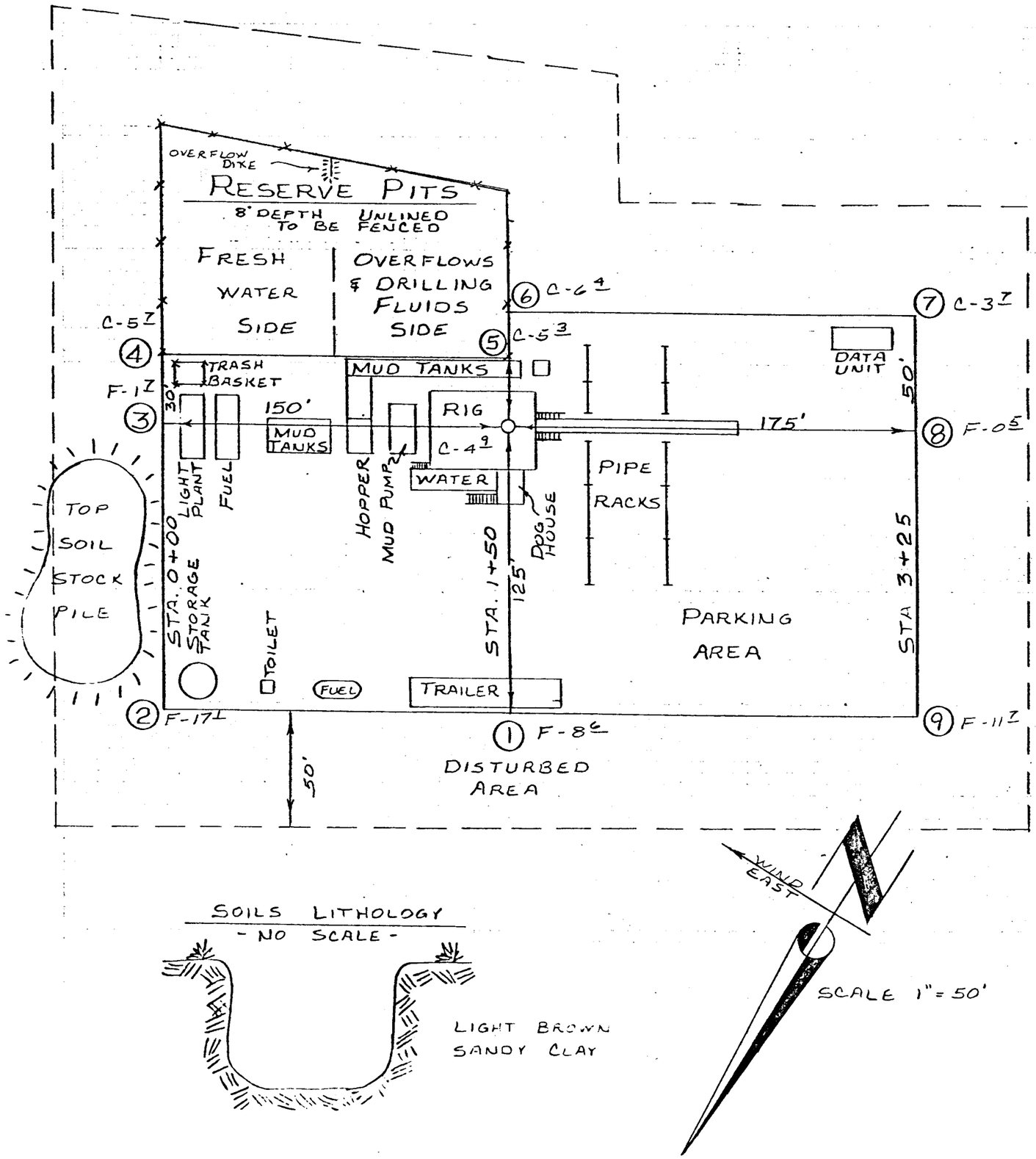
Proposed casing and cementing program indicates that the Green River Formation will be protected by the 7" casing and set with adequate cement to cover the section. Therefore, program is acceptable to this office. If well is abandoned, then a similar program should also be required to adequately protect the Green River Formation.

Ray A. Brady
Geologist

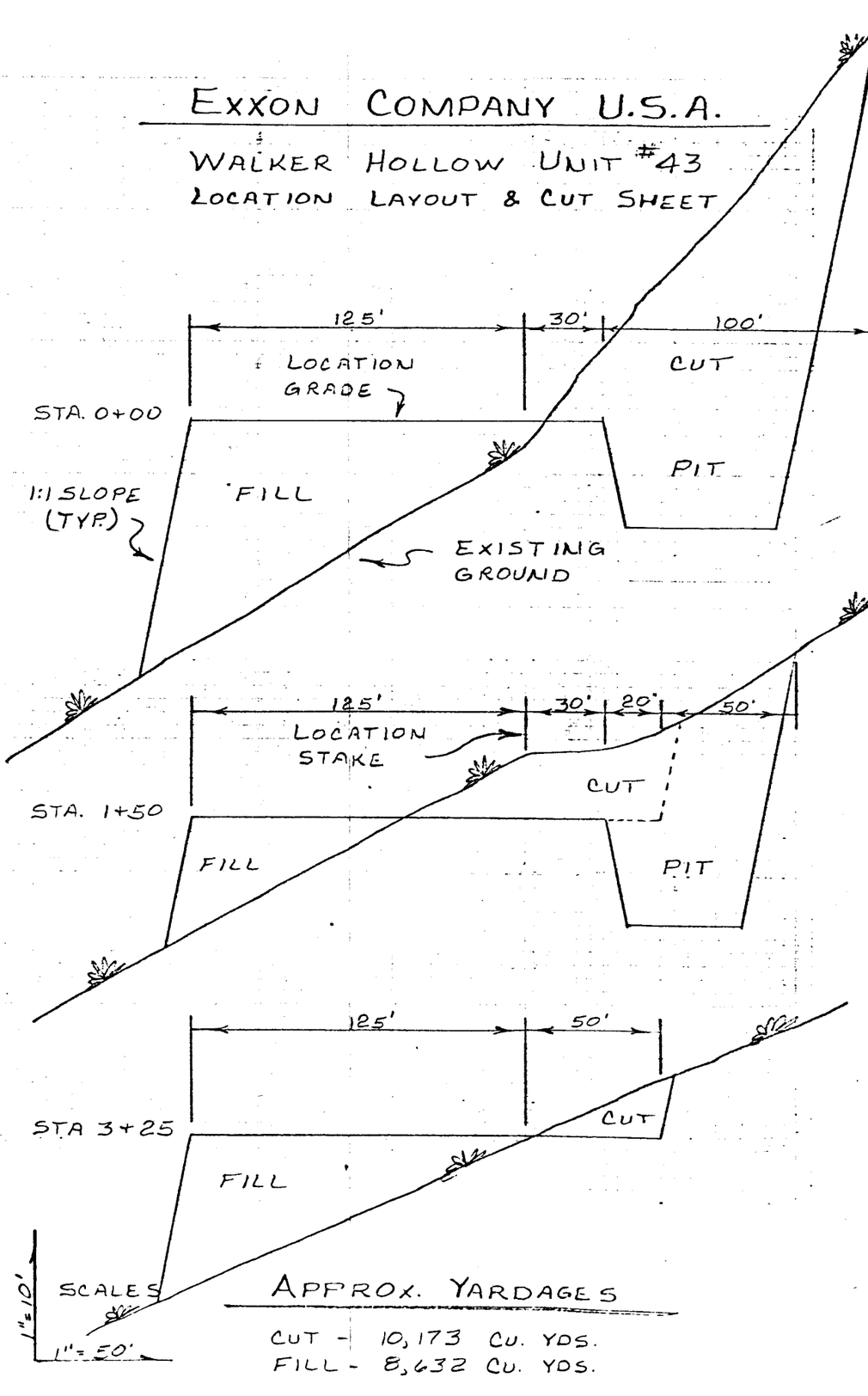
EXXON COMPANY U.S.A.

WALKER HOLLOW UNIT #43

LOCATION LAYOUT & CUT SHEET



CROSS SECTIONS



SOILS LITHOLOGY

- NO SCALE -

LIGHT BROWN SANDY CLAY

SCALES

1" = 10'

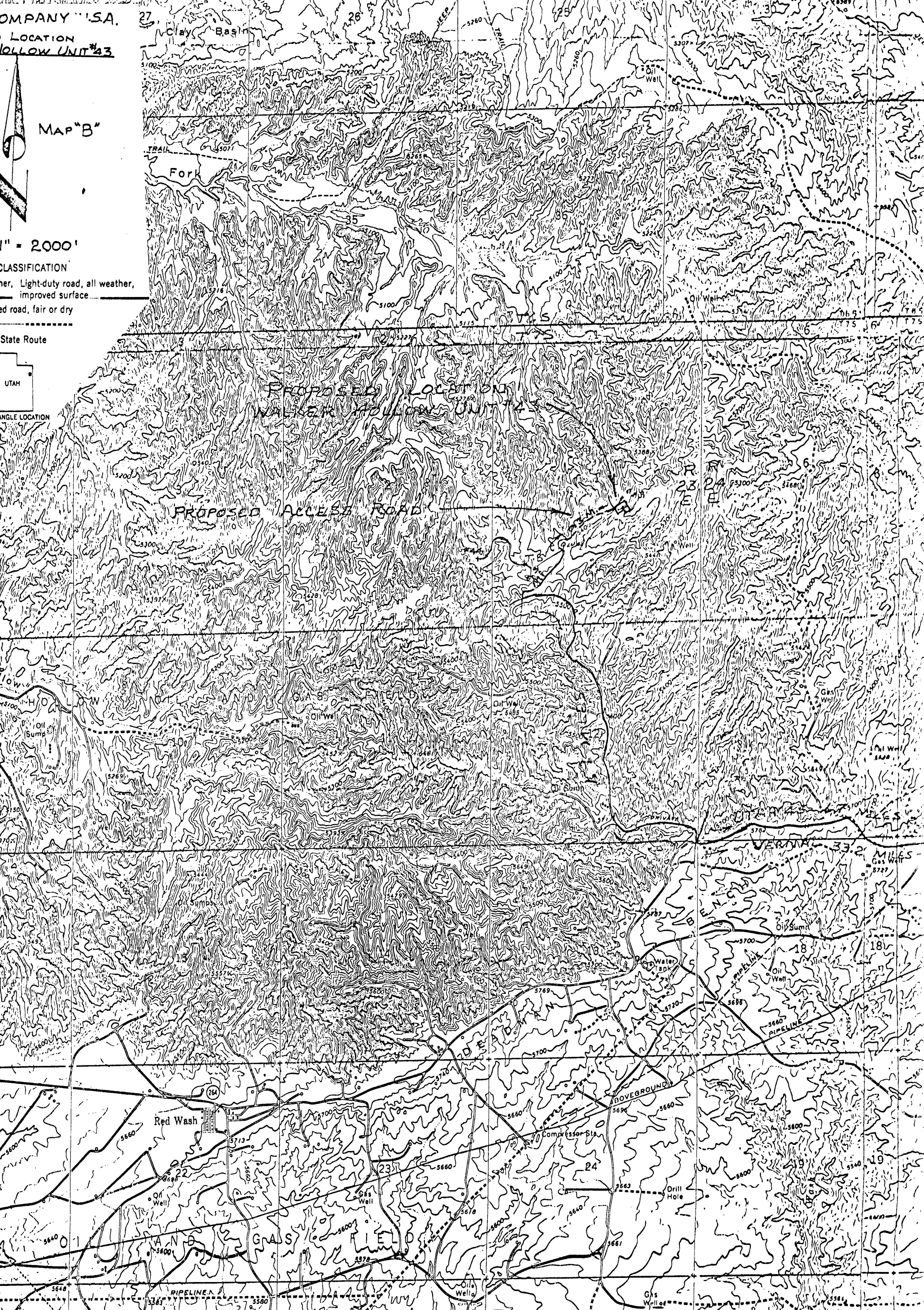
1" = 50'

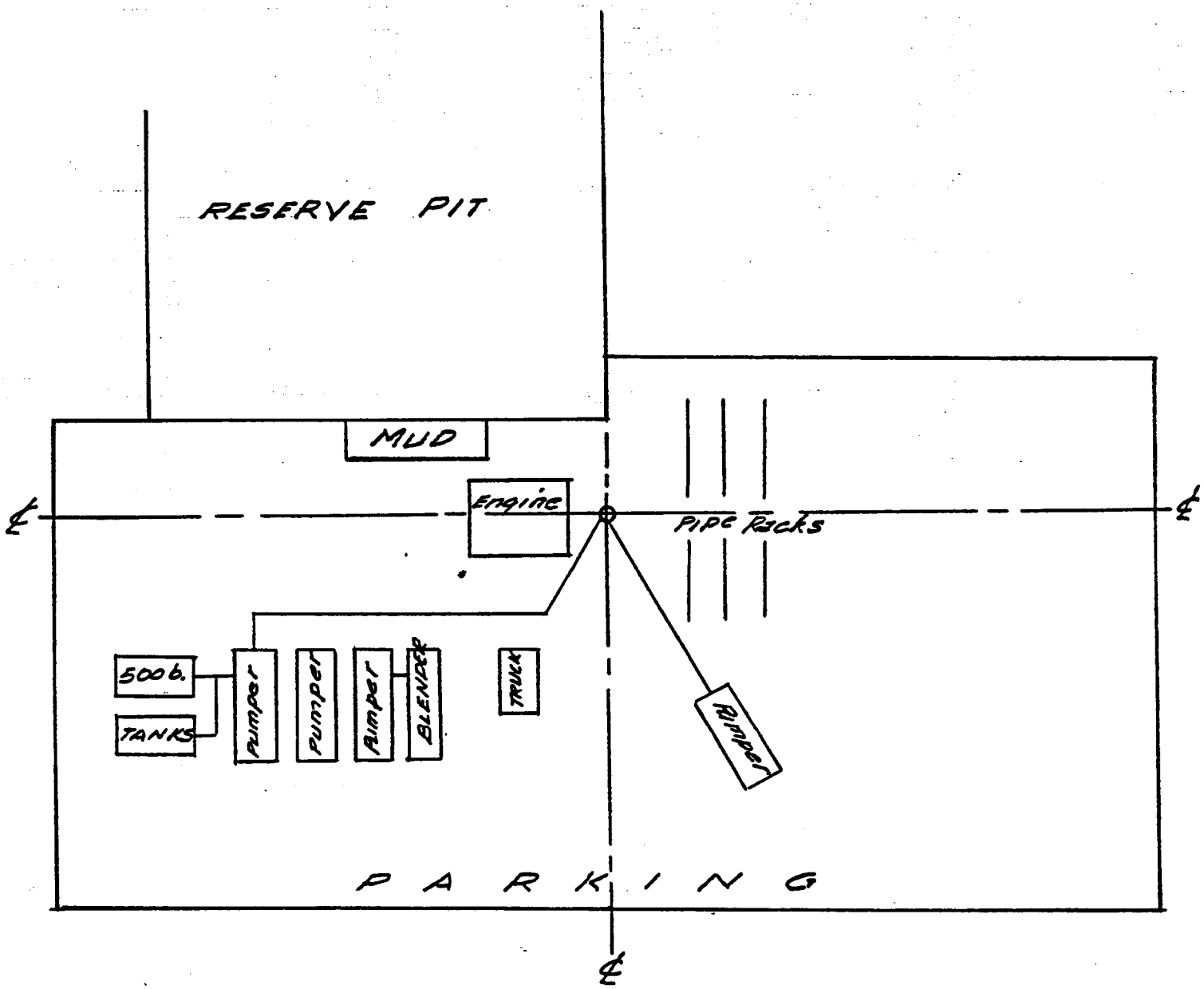
APPROX. YARDAGES

CUT - 10,173 CU. YDS.

FILL - 8,632 CU. YDS.


EXXON COMPANY U.S.A.
PROPOSED LOCATION
WALKER HOLLOW UNIT #43
TOPO. MAP "B"
SCALE - 1" = 2000'
ROAD CLASSIFICATION
Secondary highway, all weather, hard surface
Light-duty road, all weather, improved surface
Unimproved road, fair or dry weather
State Route
UTAH
QUADRANGLE LOCATION
Clay Basin
JEEP
TRAIL
Fork
Oil Well
T6S
T7S
PROPOSED LOCATION
WALKER HOLLOW UNIT #43
PROPOSED ACCESS ROAD
R 23 E
R 24 E
Walker
Hollow
WALKER HOLLOW OIL AND GAS FIELD
Oil Sump
Oil Sumps
Water Tank
DEADMAN
BENCH
VERNAL
PIPELINE
ABOVEGROUND
Compressor Sta.
Red Wash
264
Gas Well
Drill Hole
RED WASH OIL AND GAS FIELD


OMPANY U.S.A.
LOCATION
HOLLOW UNIT #43
MAP "B"
1" = 2000'
CLASSIFICATION
her, Light-duty road, all weather, improved surface
ed road, fair or dry
State Route
UTAH
ANGLE LOCATION
Clay Basin
TRAIL
JEEP
Fork
Oil Well
PROPOSED LOCATION
WALKER HOLLOW UNIT #43
PROPOSED ACCESS ROAD
T 7 S
T 6 S
R 23 E
R 24 E
HOLLOW
OIL AND GAS FIELD
Oil Sump
Oil Sumps
Gas Well
VERNAL 33.2 MILES
BENCH
Water Tank
PIPELINE
DEADMAN
ABOVEGROUND
Compressor Sta.
Red Wash
264
Drill Hole
5660
5700
5600

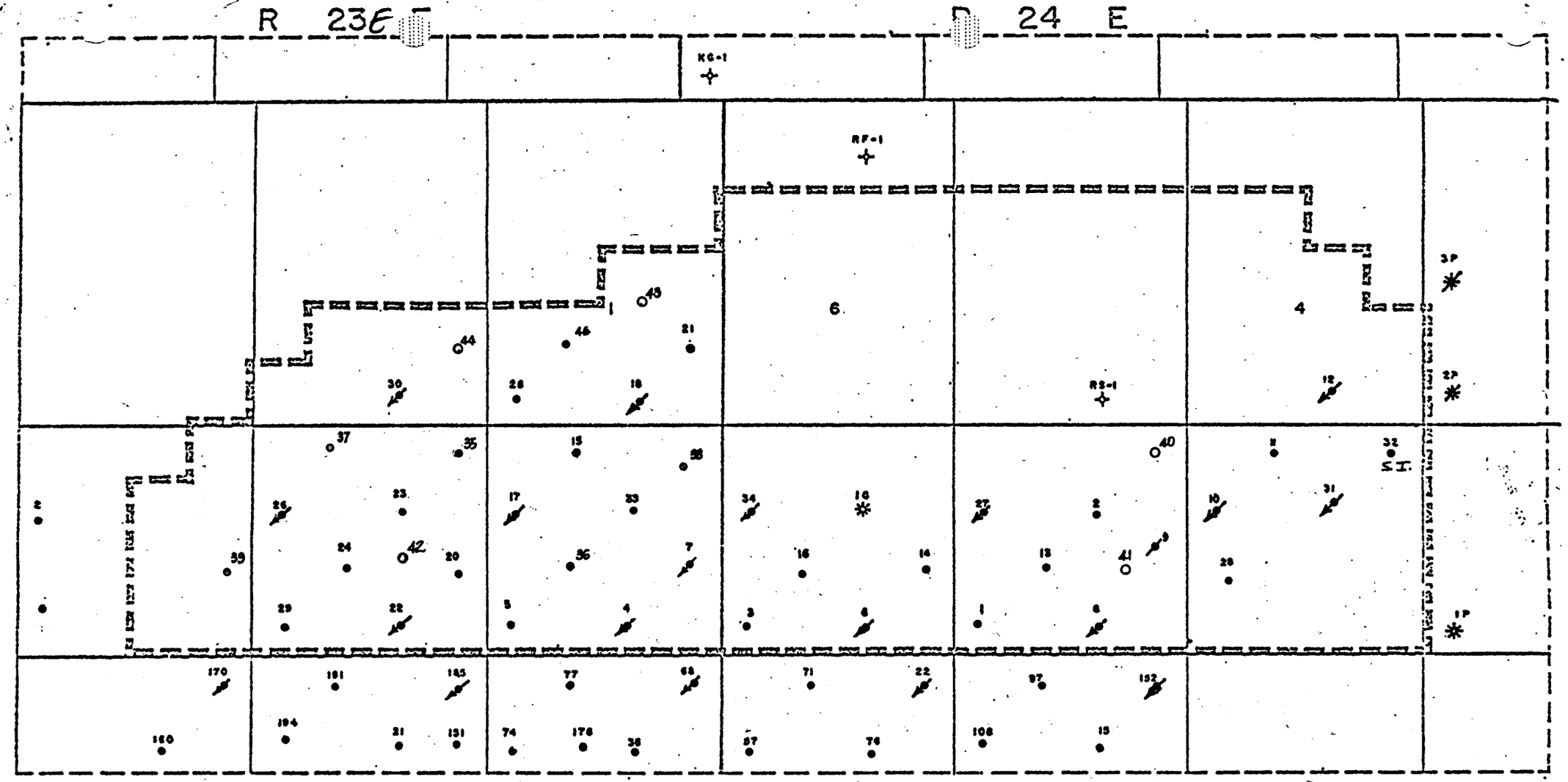


TYPICAL
FRAC. TRUCK LAYOUT
1" = 50'

WALKER HOLLOW
WELLS 40-41-42-43
UINTAH CO. UTAH

EXXON COMPANY, U.S.A.
A DIVISION OF EXXON CORPORATION
PRODUCTION DEPARTMENT

DRAWN WSW	ENGR. SECTION	REVISED	SCALE 1"=50'	JOB NO.
CHECKED	APPROVED		DATE 4-12-80	FILE NO.



RED WASH FIELD — WALKER HOLLOW UNIT

UINTAH COUNTY, UTAH

◎ Producing This Zone

Injection Well

SCALE: 1" = 3000'

PREPARED BY:

DATE:

EXHIBIT "C"

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: Exxon Corporation

WELL NAME: Walker Hollow Unit #43

SECTION 1 SW NE TOWNSHIP 7S RANGE 23E COUNTY Uintah

DRILLING CONTRACTOR T.W.T. Exploration

RIG # 5

SPUDDED: DATE 7/9/80

TIME 12:30 p.m.

HOW Rotry

DRILLING WILL COMMENCE Presently

REPORTED BY Jimmy Burch

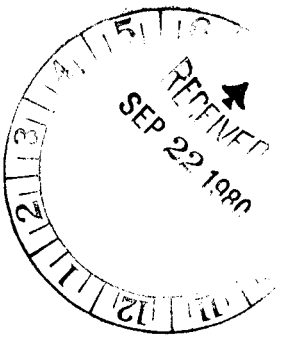
TELEPHONE # 915-683-4096

DATE July 10, 1980 SIGNED M. J. Mc.

cc: USGS

EXXON COMPANY, U.S.A.
2000 CLASSEN CENTER-EAST • OKLAHOMA CITY, OKLAHOMA 73106 • (405) 528-2411

PRODUCTION DEPARTMENT
OKLAHOMA CITY DISTRICT



September 17, 1980

State of Utah
Oil & Gas Department
1588 W. N. Temple
Salt Lake City, Utah 84116

Gentlemen:

Enclosed are the logs on the following Exxon drilled well:

WELL	LOG
Walker Hollow Unit #43 Sec. 1-7S-23E Uintah Co., Utah	Dual Induction Compensated Neutron-Formation Density Sonic Repeat Formation Tester

Sincerely,

Robert P. Fietz

RPF:gm

cc: Files

Form 9-330
(Rev. 5-63)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE (See other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R355.5.

7

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.: SLC-066312

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] DRY [ ] Other

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] Other

7. UNIT AGREEMENT NAME: Walker Hollow Unit

8. FARM OR LEASE NAME: Walker Hollow Unit

2. NAME OF OPERATOR: Exxon Corporation

9. WELL NO.: 43

3. ADDRESS OF OPERATOR: P.O. Box 1600 Midland, TX 79702

10. FIELD AND POOL, OR WILDCAT: Walker Hollow

4. LOCATION OF WELL (*Report location clearly and in accordance with any State requirements*)*
At surface: 1960' FEL and 2975' FSL of Section 1
At top prod. interval reported below: Same as above
At total depth: Same as above

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec. 1, T7S, R23E

RECEIVED NOV 17 1980 DIVISION OF OIL, GAS & MINING

14. PERMIT NO.	DATE ISSUED	12. COUNTY OR PARISH	13. STATE
43-047-30687	4/21/80	Unitah	Utah

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (*Ready to prod.*)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
7/9/80	8/9/80	11/6/80	5401 KB 3589 GL	

20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
5655	5593		→	0-5655	

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
4449 to 5440 Green River 4a thru La1

25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN
GR-DIL-SFL; GR-FDC-CNL; GR-BHC

27. WAS WELL CORED: No

28. CASING RECORD (*Report all strings set in well*)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	36	383	12 1/4"	350 sx Cl "H"	
7"	23, 20	5635	8 3/4"	665 sx Cl "G" Lite 2% CaCl	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	5479	
1 1/4"	3480 (Heat String)	

31. PERFORATION RECORD (*Interval, size and number*)
La 5430-5440 8d 5396-5408 8c 5338-5358'
7b 5096-5114 5c 4846-4856
5a2 4808-4817 & 4a 4449-4458
2" Gowinder Jet Gun, 271 perfs total
w/3 shots/ft.

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4449-5440	See Attachment #1 for Frac.

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (*Flowing, gas lift, pumping—size and type of pump*)	WELL STATUS (*Producing or shut-in*)
11/5/80	Pumping 1 3/4" Tubing Pump	Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
11/6/80	24			94	50	214	532

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
			94	50	214	27.2

34. DISPOSITION OF GAS (*Sold, used for fuel, vented, etc.*)
Used for fuel

TEST WITNESSED BY

35. LIST OF ATTACHMENTS
#1 Frac Information

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Ernest L. Berry TITLE Sr. Administrator DATE 11/14/80

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.
If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.
Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.
Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.
Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.
Item 29: *"Sacks Cement":* Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.
Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:
SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Green River	2994		Alternating sand & shale, oil & water

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Green River	2994	2994

U.S. GOVERNMENT PRINTING OFFICE: 1963—O-683636
897-497

Attachment #1

Frac perforations 4449-5440 as follows:

4500 gal 15% acid, 10,500 gals. gelled KCl water prepad, 18,500 gals K-1 pad w/ 7000# 20-40 sd, 21,000# 10-20 sd, 9000# 8-12 sd, 100# acid flakes and 100# rock salt followed by 230 bbls of KCl flush. Iridium 192 tracer sand used in all five stages of the frac.

FORM 10

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
355 West North Temple, 3 Triad, Suite 350, Salt Lake City, UT 84180-1203

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

LORA ROARK
EXXON CORPORATION
PO BOX 4721
HOUSTON TX 77210-4721

UTAH ACCOUNT NUMBER: N0420

REPORT PERIOD (MONTH/YEAR): 2 / 95

AMENDED REPORT ☐ **(Highlight Changes)**

Well Name / API Number / Entity / Location	Producing Zone	Well Status	Days Oper	Production Volumes OIL(BBL)	GAS(MCF)	WATER(BBL)
WALKER HOLLOW #24 4304715573 00610 07S 23E 11	GRRV					
WALKER HOLLOW U #25 4304730040 00610 07S 23E 1	GRRV					
WALKER HOLLOW 28 4304730092 00610 07S 24E 9	GRRV					
WALKER HOLLOW 29 4304730093 00610 07S 23E 11	GRRV					
WALKER HOLLOW 32 4304730132 00610 07S 24E 9	GRRV					
WALKER HOLLOW #33 4304730133 00610 07S 23E 12	GRRV					
WALKER HOLLOW 36 4304730282 00610 07S 23E 12	GRRV					
WALKER HOLLOW 39 4304730415 00610 07S 23E 10	GRRV					
WALKER HOLLOW 46 4304730416 00610 07S 23E 1	GRRV					
WALKER HOLLOW 37 4304730417 00610 07S 23E 11	GRRV					
WALKER HOLLOW 38 4304730418 00610 07S 23E 12	GRRV					
WALKER HOLLOW U #43 4304730687 00610 07S 23E 1	GRRV					
WALKER HOLLOW 44 4304730688 00610 07S 23E 2	GRRV					
			TOTALS			

COMMENTS: _____

I hereby certify that this report is true and complete to the best of my knowledge. Date: _____

Name and Signature: _____ Telephone Number: _____

(12/93)

CORRECTION TO DIRECTOR'S MINUTES OF SEPTEMBER 21, 1994; ML 44446 BUILDING STONE/LIMESTONE

The Director's Minutes of September 21, 1994, list State of Utah Building Stone/Limestone Lease ML 44446 as being cancelled for non-payment. Chemcial Lime Company, lessee, has been notified of their default in this matter and with the right to cure, they have complied with this office and provided the required past due rentals with interest and pentalites. Therefore, the Director's Minutes of Septemer 21, 1994, should be corrected to show that ML 44446 was not cancelled for non-payment.

Upon recommendation of Mr. Cooper, the Director approved the correction to the Director's Minutes of September 21, 1994.

* *

TERMINATION OF THE INDIANOLA UNIT

Hunt Oil Company, operator of the Indianola Unit, has furnished this office with evidence that this unit was terminated by the Bureau of Land Management on February 24, 1995.

The records of the following leases should be noted to show the termination of this unit.

ML 41655	Shell Onshore Ventures, Inc.
ML 41658	Shell Onshore Ventures, Inc.

Due to the termination of the unit, the terms of ML 41655 and ML 41658 will be extended until February 24, 1997.

Upon recommendation of Mr. Bonner, the Director noted the termination of the Indianola Unit and approved the extension of ML 41655 and ML 41658.

STATEWIDE BOND OF LESSEE

Citation Oil & Gas Corporation has submitted an $80,000 State of Utah Statewide Bond of Lessee to cover their oil and gas exploration and development operations on Trust lands. The surety is Gulf Insurance Company, Bond No. 587800.

Upon recommendation of Mr. Bonner, the Director accepted Bond No. 587800 as described above.

EXXON COMPANY, U.S.A.
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

MIDLAND PRODUCTION ORGANIZATION
OPERATIONS INTEGRITY

March 23, 1995

Operator Change
Walker Hollow (Green River) Unit
Summit County, Utah

Utah Oil & Gas Conservation Commission
Utah Division of Oil, Gas & Mining
355 West North Temple
State Office Building
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Attention: Leisha Cordova

Effective April 1, 1995, Citation Oil & Gas Corp. will replace Exxon Corp. as operator of the Walker Hollow (Green River) Unit. Attached is a list of locations, API numbers and lease numbers for wells in the subject unit.

Please direct questions concerning this property transfer to me at (915) 688-7875.

Sincerely,

S. Johnson

Stephen Johnson

SJJ/mym
Enclosure

WALKER HOLLOW (GREEN RIVER) UNIT WELLS

WELL	1/4 SEC	S-T-R	API NUMBER	LEASE NUMBER
1	SWSW	8-7S-24E	4304715554	U-02512
2	SWNE	8-7S-24E	4304715556	SLC-066357
3	SWSW	7-7S-24E	4304715557	SLC-066357
4	SWSE	12-7S-23E	4304716501 W/W	SLC-066357
5	SWSW	12-7S-23E	4304715558	SLC-066357
6	SWSE	7-7S-24E	4304716502 W/W	SLC-066357
7	NESE	12-7S-23E	4304715559 W/W	SLC-066357
8	SWSE	8-7S-24E	4304716503 W/W	U-02512
10	SWNW	9-7S-24E	4304715561 W/W	U-02512
11	NENW	9-7S-24E	4304715562	U-02512
12	SWSE	4-7S-24E	4304716504 W/W	SLC-066313
13	NESW	8-7S-24E	4304715563	U-02512
14	NESE	7-7S-24E	4304715564	SLC-066357
15	NENW	12-7S-23E	4304715565	SLC-066357
16	NESW	7-7S-24E	4304715566	SLC-066357
17	SWNW	12-7S-23E	4304715567 W/W	SLC-066357
18	SWSE	1-7S-23E	4304715568 W/W	SLC-066312
20	NESE	11-7S-23E	4304715569	SLC-066357
21	NESE	1-7S-23E	4304715570	SLC-066312
22	SWSE	11-7S-23E	4304715571 W/W	SLC-066357
23	SWNE	11-7S-23E	4304715572	SLC-066357
24	NESW	11-7S-23E	4304715573	SLC-066357
25	SWSW	1-7S-23E	4304730040	SLC-066312
26	SWNW	11-7S-23E	4304715548 W/W	SLC-066357
27	SWNW	8-7S-24E	4304730082 W/W	SLC-066357
28	NWSW	9-7S-24E	4304730092	U-02512
29	SWSW	11-7S-23E	4304730093	SLC-066357
30	SWSE	2-7S-23E	4304730094 W/W	ML-3175
31	SWNE	9-7S-24E	4304711512 W/W	U-02512
32	NENE	9-7S-24E	4304730132	U-02512
33	SWNE	12-7S-23E	4304730133	SLC-066357
34	SWNW	7-7S-24E	4304730134 W/W	SLC-066357
35	NENE	11-7S-23E	4304730281 W/W	SLC-066357
36	NESW	12-7S-23E	4304730282	SLC-066357
37	NENW	11-7S-23E	4304730417	SLC-066357
38	NENE	12-7S-23E	4304730418	SLC-066357
39	NESE	10-7S-23E	4304730415	U-02651-C
40	NENE	8-7S-24E	4304730690	SLC-066357
41	NWSE	8-7S-24E	4304730691	U-02512
42	NWSE	11-7S-23E	4304730692	SLC-066357
43	SWNE	1-7S-23E	4304730687	SLC-066312
44	NESE	2-7S-23E	4304730688	ML-3175
45	NENE	1-7S-23E	4304730897	SLC-066312
46	NESW	1-7S-23E	4304730416	SLC-066312
47	SWNE	2-7S-23E	4304730888	SLC-066312
48	NENE	7-7S-24E	4304730891	SLC-066357
49	SWSW	4-7S-24E	4304730892	SLC-066313
52	NWSW	8-7S-24E	4304730945	U-02512
54	SESW	1-7S-23E	4304730893	SLC-066312
55	NWNW	12-7S-23E	4304730894	SLC-066357
56	SENE	11-7S-23E	4304730911	SLC-066357
57	NWNE	11-7S-23E	4304730895	SLC-066357
58	SESE	2-7S-23E	4304730912	ML-3175
59	SESW	8-7S-24E	4304730946	U-02512
60	SESE	11-7S-23E	4304730913	SLC-066357
62	SWNE	10-7S-23E	4304730914	U-02651-C
63	SWNW	1-7S-23E	4304730916	SLC-066312
64	SWNW	6-7S-24E	4304730947	SLC-066313
66	NENE	10-7S-23E	4304731131	U-02651-C
69	NESW	2-7S-23E	4304731665	ML-3175
72	SWNW	2-7S-23E	4304731227	ML-3175
73	SWSE	3-7S-23E	4304731032	SLC-066312
74	SESW	3-7S-23E	4304731031	SLC-066357
75	SWSW	2-7S-23E	4304731182	ML-3175
76	NENW	1-7S-23E	4304731542	SLC-066312
77	NENE	1-7S-23E	4304731563	SLC-066312
101	SWNE	7-7S-24E	4304715555	SLC-066357

FORM 9

STATE OF UTAH

DIVISION C_ OIL, GAS AND MINING

RECEIVED

1995

DIV OF OIL, GAS & MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Serial Number:

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name: Walker Hollow Unit

8. Well Name and Number: see below

1. Type of Well: OIL ☐ GAS ☐ OTHER:

9. API Well Number: see below

2. Name of Operator: Citation Oil & Gas Corp.

10. Field and Pool, or Wildcat: Walker Hollow (Green River)

3. Address and Telephone Number: 8223 Willow Place S. Ste 250 Houston, TX 77070 713-469-9664

4. Location of Well

Footages:

County: Uintah

QQ, Sec.,T.,R.,M.:

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
☐ Abandonment	☐ New Construction	☐ Abandonment *	☐ New Construction
☐ Casing Repair	☐ Pull or Alter Casing	☐ Casing Repair	☐ Pull or Alter Casing
☐ Change of Plans	☐ Recompletion	☐ Change of Plans	☐ Shoot or Acidize
☐ Conversion to Injection	☐ Shoot or Acidize	☐ Conversion to Injection	☐ Vent or Flare
☐ Fracture Treat	☐ Vent or Flare	☐ Fracture Treat	☐ Water Shut-Off
☐ Multiple Completion	☐ Water Shut-Off	☐ Other	
☐ Other Change of Operator			
Approximate date work will start		Date of work completion	

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Effective April 1, 1995 Citation Oil & Gas Corp. took over as operator of the Walker Hollow Unit from Exxon Company, USA.

The wells involved are as follows:

Walker Hollow Unit #1	43-047-15554	Sec. 8 T7S R24E
Walker Hollow Unit #2	43-047-15556	Sec. 8 T7S R24E
Walker Hollow Unit #3	43-047-15557	Sec. 7 T7S R24E
Walker Hollow Unit #4	43-047-16501	Sec.12 T7S R23E
Walker Hollow Unit #5	43-047-15558	Sec.12 T7S R23E
Walker Hollow Unit #6	43-047-16502	Sec. 7 T7S R24E
Walker Hollow Unit #7	43-047-05580	Sec.12 T7S R23E
Walker Hollow Unit #8	43-047-16503	Sec. 8 T7S R24E
Walker Hollow Unit #9	43-047-15560	Sec. 8 T7S R24E
Walker Hollow Unit #10	43-047-15561	Sec. 9 T7S R24E

continued on back

13.

Name & Signature: Sharon Ward Sharon Ward Title: Production Reg. Supv. Date: 4-6-95

(This space for State use only)

The following are the list wells involved in the change o perator on the Walker Hollow Unit from Exxon Company USA to Citation Oil & Gas Corp. effective April 1, 1995.

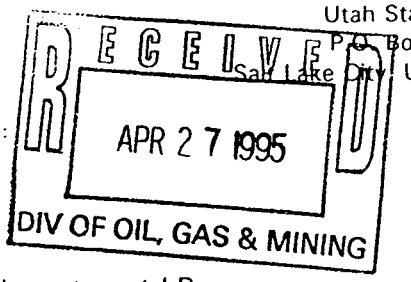
Walker Hollow Unit #11	43-047-15562	Sec. 9 T7S R24E
Walker Hollow Unit #12	43-047-16504	Sec. 4 T7S R24E
Walker Hollow Unit #13	43-047-15563	Sec. 8 T7S R24E
Walker Hollow Unit #14	43-047-15564	Sec. 7 T7S R24E
Walker Hollow Unit #15	43-047-15565	Sec.12 T7S R23E
Walker Hollow Unit #16	43-047-15566	Sec. 7 T7S R24E
Walker Hollow Unit #17	43-047-15567	Sec.12 T7S R23E
Walker Hollow Unit #18	43-047-15568	Sec. 1 T7S R23E
Walker Hollow Unit #20	43-047-15569	Sec.11 T7S R23E
Walker Hollow Unit #21	43-047-15570	Sec. 1 T7S R23E
Walker Hollow Unit #22	43-047-15571	Sec.11 T7S R23E
Walker Hollow Unit #23	43-047-15572	Sec.11 T7S R23E
Walker Hollow Unit #24	43-047-15573	Sec.11 T7S R23E
Walker Hollow Unit #25	43-047-30040	Sec. 1 T7S R23E
Walker Hollow Unit #26	43-047-15548	Sec.11 T7S R23E
Walker Hollow Unit #27	43-047-30082	Sec. 8 T7S R24E
Walker Hollow Unit #28	43-047-30092	Sec. 9 T7S R24E
Walker Hollow Unit #29	43-047-30093	Sec.11 T7S R23E
Walker Hollow Unit #30	43-047-30094	Sec. 2 T7S R23E
Walker Hollow Unit #31	43-047-11512	Sec. 9 T7S R24E
Walker Hollow Unit #32	43-047-30132	Sec. 9 T7S R24E
Walker Hollow Unit #33	43-047-30133	Sec.12 T7S R23E
Walker Hollow Unit #34	43-047-30134	Sec. 7 T7S R24E
Walker Hollow Unit #35	43-047-30281	Sec.11 T7S R23E
Walker Hollow Unit #36	43-047-30282	Sec.12 T7S R23E
Walker Hollow Unit #37	43-047-30417	Sec.11 T7S R23E
Walker Hollow Unit #38	43-047-30418	Sec.12 T7S R23E
Walker Hollow Unit #39	43-047-30415	Sec.12 T7S R23E
Walker Hollow Unit #40	43-047-30690	Sec. 8 T7S R24E
Walker Hollow Unit #41	43-047-30691	Sec. 8 T7S R24E
Walker Hollow Unit #42	43-047-30692	Sec.11 T7S R23E
Walker Hollow Unit #43	43-047-30687	Sec. 1 T7S R23E
Walker Hollow Unit #44	43-047-30688	Sec. 2 T7S R23E
Walker Hollow Unit #45	43-047-30897	Sec. 1 T7S R23E
Walker Hollow Unit #46	43-047-30416	Sec. 1 T7S R23E
Walker Hollow Unit #47	43-047-30888	Sec. 2 T7S R23E
Walker Hollow Unit #48	43-047-30891	Sec. 7 T7S R24E
Walker Hollow Unit #49	43-047-30892	Sec. 4 T7S R24E
Walker Hollow Unit #52	43-047-30945	Sec. 8 T7S R24E
Walker Hollow Unit #54	43-047-30893	Sec. 1 T7S R23E
Walker Hollow Unit #55	43-047-30894	Sec.12 T7S R23E
Walker Hollow Unit #56	43-047-30911	Sec.11 T7S R23E
Walker Hollow Unit #57	43-047-30895	Sec.11 T7S R23E
Walker Hollow Unit #58	43-047-30912	Sec. 2 T7S R23E
Walker Hollow Unit #59	43-047-30946	Sec. 8 T7S R24E
Walker Hollow Unit #60	43-047-30913	Sec.11 T7S R23E
Walker Hollow Unit #62	43-047-30914	Sec.10 T7S R23E
Walker Hollow Unit #63	43-047-30916	Sec. 1 T7S R23E
Walker Hollow Unit #64	43-047-30947	Sec. 6 T7S R24E
Walker Hollow Unit #66	43-047-31131	Sec.10 T7S R23E
Walker Hollow Unit #69	43-047-31665	Sec. 2 T7S R23E
Walker Hollow Unit #72	43-047-31227	Sec. 2 T7S R23E
Walker Hollow Unit #73	43-047-31032	Sec. 3 T7S R23E
Walker Hollow Unit #74	43-047-31031	Sec. 3 T7S R23E
Walker Hollow Unit #75	43-047-31182	Sec. 2 T7S R23E
Walker Hollow Unit #76	43-047-31542	Sec. 1 T7S R23E
Walker Hollow Unit #77	43-047-31563	Sec. 1 T7S R23E
Walker Hollow Unit #78	43-047-31645	Sec. 1 T7S R23E
Walker Hollow Unit #101	43-047-15555	Sec. 7 T7S R24E

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

COPY



IN REPLY REFER TO:
UT-922

April 26, 1995

Citation 1994 Investment LP
Attn: Christopher E. Cottrell
8223 Willow Place South, Suite 250
Houston, Texas 77070-5623

Re: Walker Hollow (Green River) Unit
Uintah County, Utah

Gentlemen:

We received an indenture dated March 22, 1995, whereby Exxon Company, U.S.A. resigned as Unit Operator and Citation 1994 Investment Limited Partnership was designated as Successor Unit Operator for the Walker Hollow (Green River) Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective April 26, 1995.

Your nationwide (Montana) oil and gas bond No. 0630 will be used to cover all operations within the Walker Hollow (Green River) Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Assad M. Raffoul

for Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure
bcc: District Manager - Vernal (w/enclosure)
Division of Oil, Gas & Mining
Division of Lands and Mineral Operations U-923
File - Walker Hollow (GR) Unit (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron
Fluid Chron
U-922:TAThompson:tt:04-26-95

Division of Oil, Gas and Mining

PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

[ ] **Well File** _____

_____

(Location) Sec___Twp___Rng___

(API No.) _____

[ ] **Suspense**
(Return Date) _____
(To - Initials) _____

XXX **Other**
OPER. CHG.

1. Date of Phone Call: 5-2-95 Time: 8:23

2. DOGM Employee (name) L. CORDOVA (Initiated Call XXX)
Talked to:

Name SHARON WARD (Initiated Call [ ]) - Phone No. (713)469-9664

of (Company/Organization) CITATION O&G CORP.

3. Topic of Conversation: OPERATOR OF THE "WALKER HOLLOW (GRRV) UNIT?

BLM APRV CITATION 1994 INVESTMENT LP. IS COMPANY CHANGING NAME FROM CITATION

O&G CORP?

4. Highlights of Conversation:

MS. WARD "CITATION" CALLED BLM TO CHANGE APRV'L TO CITATION O&G CORP. NOT

CITATION 1994 INVESTMENT LP. PER BLM/SL THE CHANGE SHOULD NOT TAKE LONG.

*BLM/SL - SIMPLE CHANGE, SHOULD ONLY TAKE A COUPLE OF DAYS.

United States Department of the Interior COPY

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

MAY 15 1995

IN REPLY REFER TO:
UT-922

May 9, 1995

Citation Oil & Gas Corporation
Attn: Sharon Ward
8223 Willow Place South, Suite 250
Houston, Texas 77070-5623

Re: Walker Hollow (Green River) Unit
Uintah County, Utah

Gentlemen:

We received an indenture dated May 2, 1995, whereby Citation 1994 Investment Limited Partnership resigned as Unit Operator and Citation Oil & Gas Corporation was designated as Successor Unit Operator for the Walker Hollow (Green River) Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective May 9, 1995.

Your nationwide (Montana) oil and gas bond No. 0630 will be used to cover all operations within the Walker Hollow (Green River) Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure
bcc: District Manager - Vernal (w/enclosure)
Division of Oil, Gas & Mining
Division of Lands and Mineral Operations U-923
File - Walker Hollow (GR) Unit (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron
Fluid Chron
U-922:TAThompson:tt:05-09-95

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1-LEC ✓	GIL
2-LWP ✓	7-PL
3-DTS	8-SJ
4-VLC ✓	9-FILE
5-RJF ✓	
6-LWP ✓	

Attach all documentation received by the division regarding this change.
Initial each listed item when completed. Write N/A if item is not applicable.

XXX Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 4-1-95)

TO (new operator) CITATION OIL & GAS CORP
(address) 8223 WILLOW PL S #250
HOUSTON TX 77070-5623
SHARON WARD
phone (713) 469-9664
account no. N 0265

FROM (former operator) EXXON CORPORATION
(address) PO BOX 4721
HOUSTON TX 77210-4721
STEPHEN JOHNSON/MIDLAND
phone (915) 688-7875
account no. N 0420

Well(s) (attach additional page if needed): ***WALKER HOLLOW (GREEN RIVER) UNIT**

Name: **SEE ATTACHED**	API: 047-30687	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:

OPERATOR CHANGE DOCUMENTATION

Lec 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (Rec'd 3-27-95)

Lec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec'd 4-5-95) (Rec'd 4-6-95) (Rec'd 4-10-95)

N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) _____ If yes, show company file number: _____.

Lec 4. **(For Indian and Federal Wells ONLY)** The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.

Lec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (5-2-95)

Lwp 6. Cardex file has been updated for each well listed above. 5-8-95

Lwp 7. Well file labels have been updated for each well listed above. 5-8-95

Lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (5-2-95)

Lec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

- OVER -

OPERATOR CHANGE WORKSHEET (CONTINUED) Initial each item when completed. Write N/A if item is not applicable.

ENTITY REVIEW

LEC 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) ____ (If entity assignments were changed, attach copies of Form 6, Entity Action Form).

N/A 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (~~Fee wells only~~) *950308 Trust Lands Admin. Surety #587806 / 80,000 Gulf Ins. Co.

LEC 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.

N/A 2. A copy of this form has been placed in the new and former operators' bond files.

N/A 3. The former operator has requested a release of liability from their bond (yes/no) ___. Today's date _____ 19___. If yes, division response was made by letter dated _____ 19___.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

N/A 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated _____ 19___, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
OFS 5/10/95

N/A 2. Copies of documents have been sent to State Lands for changes involving **State leases**.

FILMING

✓ 1. All attachments to this form have been microfilmed. Date: May 18 1995.

FILING

___ 1. Copies of all attachments to this form have been filed in each well file.

___ 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

950329 Exxon / Steve Johnson "Req. UIC F5"

950406 Rec'd UIC F5 "Old Form".

950426 BLM Aprv. "Citation 1994 Investment L.P."

950502 Unit oper. nm. chg. from "Citation 1994 Investment L.P." to "Citation O&G Corp." in progress. (See phone DOC.)

WE71/34-35

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-066312

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Walker Hollow Unit

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER

8. WELL NAME and NUMBER: Walker Hollow Unit 43

2. NAME OF OPERATOR: Citation Oil & Gas Corp.

9. API NUMBER: 4304730687

3. ADDRESS OF OPERATOR: P O Box 690688 CITY Houston STATE TX ZIP 77269

PHONE NUMBER: (281) 517-7309

10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2975 FSL & 1960 FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 1 7S 23E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
_____	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Shut in
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	_____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. requests permission to place and retain this well in a shut in status. Our reservoir group is performing a field evaluation with regard to water flood analysis of the Walker Hollow Unit and want to save this wellbore for possible reactivation in the future.

3/26/07 RM

NAME (PLEASE PRINT) Sharon Ward TITLE Permitting Manager

SIGNATURE Sharon Ward DATE 3/7/2007

(This space for State use only)

Accepted by the Utah Division of Oil, Gas and Mining

Date: 3/22/07

By: [signature]

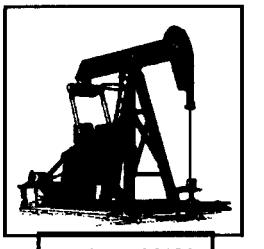
Federal Approval Of This Action Is Necessary

(See Instructions on Reverse Side)

RECEIVED
MAR 12 2007
DIV. OF OIL, GAS & MINING

(5/2000)

CITATION OIL & GAS CORP.
WALKER HOLLOW UNIT #43
1960' FEL, 2975' FSL, SEC. 1-T7S-R23E
UINTAH CO., UTAH



Lufkin: M456

KB: 12 FT
GL: 5389 FT

12 1/4"
Hole

9-5/8" 36# K-55 @ 383' w/ 350 sx

TOC @ 2325'

GREEN RIVER

4a} 4449-4458' w/ 3 spf (Perf: 11/80)

5a2} 4808-4817' w/ 3 spf (Perf: 11/80)
5c} 4846-4856' w/ 3 spf (Perf: 11/80)

7b} 5096-5114' w/ 3 spf (Perf: 11/80)

8c} 5338-5358' w/ 3 spf (Perf: 11/80)
8d} 5396-5408' w/ 3 spf (Perf: 11/80)

La} 5430-5440' w/ 3 spf (Perf: 11/80)

8-3/4"
Hole

7" 20, 23, 29# K-55, 29#, 32# N-80 @ 5635' w/ 665 sx

PBTD: 5448' (5/02)
TD: 5655'

Tbg detail
143 jts 2-7/8" 6.5-lb J-55 8rd
1 Randy's 7" TAC 4361.63'
34 Jts 2-7/8" 6.5-lb J-55 8rd
2-7/8" SN 1.10 5400.42'
2-7/8" Perforated Sub
1 jt 2-7/8" 6.5-lb J-55 8rd
1 plug with collar

Rod Detail:
1-1 ½ x 30' polish rod
56-1" Grade D
81-7/8" Grade D
66-3/4" Grade D
10-1" Grade D
Pump: 2-1/2"X1-1/2"X20'X21-1/2" RHBC

Updated: 8/8/05 - CP

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: SL066312

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Walker Hollow Unit UTU66837A

1. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ OTHER ~~Injection~~

8. WELL NAME and NUMBER: Walker Hollow Unit 43

2. NAME OF OPERATOR: Citation Oil & Gas Corp.

9. API NUMBER: 4304730687

3. ADDRESS OF OPERATOR: P.O. Box 690688 CITY Houston STATE TX ZIP 77269-0688

PHONE NUMBER: (281) 517-7800

10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2975' FSL & 2960' FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 1 7S 23E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Retain Shut In Status
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. requests approval to retain this well in a shut in status pending potential reactivation subsequent to waterflood analysis of the Walker Hollow Unit.

COPY SENT TO OPERATOR
Date: 6·10·2008
Initials: KS

NAME (PLEASE PRINT) Debra Harris TITLE Regulatory Compliance Coordinator

SIGNATURE Debra Harris DATE 3/7/2008

(This space for State use only)

REQUEST DENIED
Utah Division of
Oil, Gas and Mining
Date: 6/4/08
By:
*See R649-3-36

Federal Approval Of This
Action Is Necessary

RECEIVED
MAR 10 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: SL066312

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Walker Hollow Unit UTU66837A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Conversion to injection

8. WELL NAME and NUMBER: Walker Hollow Unit 43

2. NAME OF OPERATOR: Citation Oil & Gas Corp.

9. API NUMBER: 4304730687

3. ADDRESS OF OPERATOR: P O Box 690688 CITY Houston STATE TX ZIP 77260

PHONE NUMBER: (281) 517-7800

10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2975 FSL & 1960 FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 1 7S 23E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☑ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☑ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. plans to convert the Walker Hollow Unit 43 to injection upon EPA approval with attached procedure. Application was submitted to state and EPA on . EPA approval is anticipated this year.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT) Sharon Ward TITLE Permitting Manager

SIGNATURE Sharon Ward DATE 9/10/2008

(This space for State use only)

RECEIVED
SEP 18 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

WORKOVER PROCEDURE

PROJECT: Walker Hollow Unit 43: Convert to Water Injection Well

DRILLED & COMPLETED: 11/80 LAST WO: 11/80 – Initial completion as producer

LOCATION: 2975' FSL & 1960' FEL, SW NE Sec. 1, T7S, R23E

FIELD: Red Wash COUNTY: Uintah STATE: UT

TD: 5655' KB PBTD: 5448' KB DATUM: 5389' GL KB to GL: 12'

CASING AND LINER RECORD

SIZE	WEIGHT	DEPTH	CEMENT	HOLE SIZE	TOC	REMARKS
9 5/8"	36#	383'	350 sx	12 1/4"	SURFACE	CIRC'D
7"	20, 23 & 29#	5635'	665 sx	8 3/4"	2325'	Temp-Survey (8/80)

PRESENT FORMATION AND COMPLETION: Green River: 4449' – 5440' OA

TUBING: 143 jts 2 7/8" 6.5# J-55 8rd EUE tbg, 7" TAC @ ~4362', 34 jts 2 7/8" 6.5# J-55 8rd EUE tbg, SN @ ~5400', 2 7/8" PS, 1 jt 2 7/8" 6.5# J-55 8rd EUE tbg w/ BP & collar, EOT @ ~5440' KB

ROD DETAIL: 1 1/2" x 30' PR w/ Liner, 56 – 1" 'D' SR, 81 – 7/8" 'D' SR, 66 – 3/4" 'D' SR, 10 – 1" 'D' SR, 2 1/2" x 1 1/2" x 20' x 21 1/2' RHBC

MISC.: 3/7/07 – Filed sundry requesting permission to leave well SI in order to review utility & field development. Well is assumed to have a RP.

PROCEDURE

- MI & rack ~5450' 2 7/8" 6.5 ppf N-80 8rd EUE workstring tubing (if necessary).
- MI & rack ~5300' 2 7/8" 6.5 ppf J-55 8rd EUE IPC injection tubing.
- "Double Truck" HW annulus prior to pulling operations.

1. MI RU PU. POOH w/ rod string to part. If necessary, fish rods & pump. POOH & LD rods & pump. HW tubing & annulus to clean-up.
2. NU BOP. Release TAC set @ ± 4362'. POOH & Tally 2 7/8" production tubing.
   Note: If production tubing is in poor shape, lay down and have it cleaned and inspected. If production tubing is in good shape, use it to run bit & scraper.
3. PU & RIH w/ 6 1/8" MT Bit, Scraper & SN on tbg to PBTD @ 5448'. CHC. POOH & LD 2 7/8" tbg, Scraper & Bit.
5. PU & RIH w/ 2 7/8" injection assembly as follows (top → bottom) – KB correction of 9':

   - ± 139 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tubing (± 4390')
   - 2 7/8" x 7" Baker model "AR-1" Snap-Set compression PKR (± 6.1') set @ ± 4400' KBM
   - ± 28 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tubing (± 885')
   - 2 7/8" x 7" Baker model "R" PKR (± 7.58') set @ ± 5290' KBM - EOT @ ± 5298' KBM

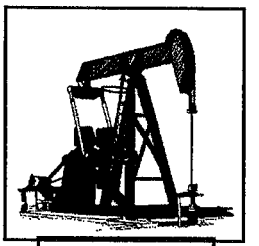
6. Set model "R" PKR @ ± 5290'. Set "AR-1" Snap-Set PKR at ± 4400'.
7. RU pump truck. Load annulus & PT to 1500 psi. Release PKR's & circulate hole w/ PKR FL (**NOTE: Annular capacity to bottom PKR is ~166 Bbls**). Reset PKR's. Load annulus w/ PKR FL. PT annulus to 1500 psi.
8. ND BOP. NU WH. Perform MIT as per BLM & Utah regulations. RD pump truck. RD MO PU.
9. Install injection line. Wait on injection permit approval.
10. After approval is received initiate injection at desired rates.
11. Monitor until rates stabilize. Run injection profile.

CITATION OIL & GAS CORP.
WALKER HOLLOW UNIT #43
2975' FSL, 1960' FEL, (SW NE) Sec 1-T7S-R23E
UINTAH CO., UTAH

API: 43-047-30687

Elevation: 5389' GL
KB = 12' AGL

Current Status: Shut-In Producer (rod part)



12 1/4" Hole

9-5/8" 36# K-55 @ 383' w/ 350 sx – Circ'd to surface

8-3/4" Hole

TOC @ 2325' w/ T-survey (8/80)

GREEN RIVER

4a: 4449-4458' w/ 3 spf (Perf: 11/80)

5a2: 4808-4817' w/ 3 spf (Perf: 11/80)

5c: 4846-4856' w/ 3 spf (Perf: 11/80)

7b: 5096-5114' w/ 3 spf (Perf: 11/80)

8c: 5338-5358' w/ 3 spf (Perf: 11/80)

8d: 5396-5408' w/ 3 spf (Perf: 11/80)

La: 5430-5440' w/ 3 spf (Perf: 11/80)

7" 20, 23 & 29# K-55, 29 & 32# N-80 set @ 5635' w/ total of 665 sx (Stg I: 450 sx + Stg II: 215 sx; 33 sx circ'd off DV tool set @ 3479')

PBTD: 5448' (5/02)

TD: 5655'

Tbg detail
143 jts 2-7/8" 6.5-lb J-55 8rd
1 Randy's 7" TAC 4361.63'
34 Jts 2-7/8" 6.5-lb J-55 8rd
2-7/8" SN 1.10 5400.42'
2-7/8" Perforated Sub
1 jt 2-7/8" 6.5-lb J-55 8rd
1 plug with collar

Rod Detail:
1-1 ½ x 30' polish rod
56-1" Grade D
81-7/8" Grade D
66-3/4" Grade D
10-1" Grade D
Pump: 2-1/2"X1-1/2"X20'X21-1/2" RHBC

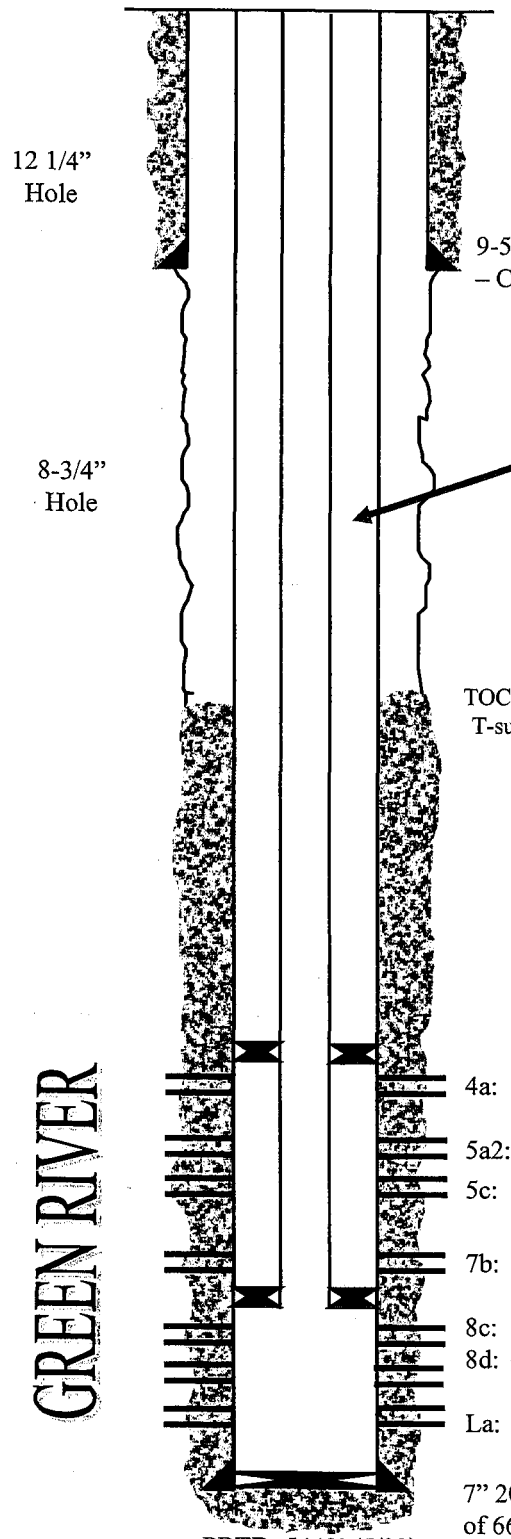
Updated: 8/26/08 - JT

CITATION OIL & GAS CORP.
WALKER HOLLOW UNIT #43 WIW
2975' FSL, 1960' FEL, (SW NE) Sec 1-T7S-R23E
UINTAH CO., UTAH

API: 43-047-30687

Elevation: 5389' GL
KB = 12' AGL

Proposed Status: Active WIW



Proposed Completion Assembly

± 139 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tbg
2 7/8" x 7" "Snap-Set" PKR set @ ± 4400' KBM
± 28 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tbg
2 7/8" x 7" Model "R" PKR @ ± 5290' KBM

Updated: 8/26/08 - JT

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

January 29, 2009

Debra Harris
Citation Oil & Gas Corp
P.O. Box 690688
Houston, TX 77269-0688

43 047 30687
Walker Hollow 43
7S 23E 1

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases

Dear Ms. Harris:

The Division of Oil, Gas and Mining (the Division) is in receipt of your letter dated June 25, 2008 (received by the Division on 7/28/2008) in regards to the five (5) federal shut-in or temporarily abandoned (SI/TA) wells operated by Citation Oil and Gas Corp (Citation). It is the Divisions understanding that Citation plans to reactivate both USA Pearl Broadhurst 15 & 16 wells, and also convert the remaining three wells to injection wells (see attachment A).

The Division does not object to the proposal for these wells. However, due to insufficient evidence the Division is unable to grant extended SI/TA status for the referenced wells. The Division must adhere to the requirements of rule R649-3-36 when granting such approvals. As these are federal wells, ultimate approval for extended SI/TA status will have to be approved by the BLM.

An individual sundry for each well along with necessary information helps expedite approval and documentation processes. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Well Files
Compliance File

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

- USA Pearl Broadhurst 15 API 43-047-30901
- USA Pearl Broadhurst 16 API 43-047-30903
- USA Pearl Broadhurst 20 API 43-047-30941
- Walker Hollow Unit 39 API 43-047-30415
- Walker Hollow Unit 43 API 43-047-30687

Form 3160- 5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004- 0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *- Other Instructions on reverse side.*

5. Lease Serial No.: SLC 066312
6. If Indian, Allottee, or Tribe Name:
7. If Unit or CA. Agreement Name and/or No.: Walker Hollow Unit UTU66837A
8. Well Name and No.: Walker Hollow Unit 43
9. API Well No.: 43-047-30687
10. Field and Pool, or Exploratory Area: Walker Hollow Green River
11. County or Parish, State: Uintah County, Utah

1. Type of Well: [X] Oil Well [ ] Gas Well [ ] Other
2. Name of Operator: Citation Oil & Gas Corp.
3a. Address: P.O. Box 690688, Houston, TX 77269-0688
3b. Phone No. *(include area code)*: (281) 517-7194
4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*: 2975' FSL 2960' FEL 1 T7S R23E SW NE

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
[ ] Notice of Intent	[ ] Acidize	[ ] Deepen	[ ] Production (Start/ Resume)	[ ] Water Shut-off
	[ ] Altering Casing	[ ] Fracture Treat	[ ] Reclamation	[ ] Well Integrity
[X] Subsequent Report	[ ] Casing Repair	[ ] New Construction	[ ] Recomplete	[ ] Other
	[ ] Change Plans	[ ] Plug and abandon	[X] Temporarily Abandon	
[ ] Final Abandonment Notice	[ ] Convert to Injection	[ ] Plug back	[ ] Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Citation Oil & Gas Corp. requests approval to retain this well in a shut in status pending potential reactivation subsequent to waterflood analysis of the Walker Hollow Unit.

RECEIVED
OCT 0 6 2008
PRODUCTION DEPT.

TA Status Approved
For 12 Month Period
thru 8/27/09 - per
BLM 10/1/08

RECEIVED
MAR 1 0 2008
BLM

14. I hereby certify that the foregoing is true and correct.

Name *(Printed/ Typed)*: Debra Harris
Title: Regulatory Compliance Coordinator
Signature: Debra Harris
Date: March 7, 2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by: Title: Petroleum Engineer Date: AUG 2 8 2008
Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office:

Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitiousor fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

OPERATOR

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
http://www.epa.gov/region08

OCT 0 8 2008

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Sharon Ward
Citation Oil and Gas Corporation
P.O. Box 690688
Houston, TX 72269-0688

Re: Application Administratively Complete
EPA UIC Permit UT21196-08241
Well: Walker Hollow Unit 43
Uintah County, UT

Dear Mr. Sundberg:

The purpose of this letter is to inform you that the underground injection permit application you recently submitted to the U.S. Environmental Protection Agency (EPA) Region 8 Ground Water Program Office, for an Underground Injection Control (UIC) Program permit for the above referenced well or project area, has been reviewed and is considered by the Director to be administratively complete pursuant to Code of Federal Regulations Title 40 Part 124 Section 3 (40 CFR §124.3). Please note that although your application included required documentation for demonstrating financial responsibility, the Director may revise the total amount of financial responsibility required based on cost estimates for the approved plugging and abandonment plan.

The EPA UIC Permit number listed above has been assigned to your EPA UIC permit application. Please reference this number when contacting the EPA regarding this application. Your application will be assigned to a UIC Permit Writer and processed in the order it was received.

The Permit Writer will contact you when he or she begins work on a permit application. The Permit Writer will evaluate the technical merits of the permit application, and will begin preparing a draft permit decision and statement of basis. Although a permit application is considered to be administratively complete, if the Permit Writer requires additional information in order to clarify, modify, or supplement the technical or other information submitted with the permit application, the Permit Writer will contact you.

Pursuant to 40 CFR §124.6, the Director will tentatively decide whether to prepare a draft permit or to deny the permit application. If the Director tentatively decides to deny the permit application, EPA will issue public notice of intent to deny and you will be notified by letter when the public notice of intent to deny is published for public comment. If the Director decides to prepare a draft permit, the Permit Writer will complete the draft UIC permit, statement of basis, and public notice of the draft permit.

After the draft UIC permit has been prepared, the draft UIC permit will be made available for public comment, with the opportunity for a public hearing, for a minimum of thirty (30) days. When the draft UIC permit is issued for public comment, you will be notified by letter and provided with a copy of the draft UIC permit, statement of basis and public notice. Following closure of the public notice and public comment period, the Director will issue a final UIC permit decision.

If you have questions regarding progress on your UIC permit application before you are notified that a Permit Writer has been assigned, please contact Douglas Minter at (303) 312-6079. After the Permit Writer has been assigned, please contact that person with your questions.

Sincerely,

Janice Pearson

for Steven J. Pratt, P.E., CAPM (inactive)
Director, Ground Water Program

cc:

Uintah & Ouray Business Committee:
Curtis Cesspooch, Chairman
Ronald Groves, Councilman
Irene Cuch, Vice-Chairwoman
Steven Cesspooch, Councilman
Phillip Chimburas, Councilman
Frances Poowegup, Councilwoman

Michelle Sabori
Acting Director
Land Use Department
Ute Indian Tribe

Larry Love
Director of Energy & Minerals Dept.
Ute Indian Tribe

Elaine Willie
GAP Coordinator, Ute Indian Tribe

Daniel Picard
BIA - Uintah & Ouray Indian Agency

Michelle Sabori
Acting Director
Land Use Department
Ute Indian Tribe

Gil Hunt
Assistant Director
Utah Division of Oil, Gas, and Mining

Matt Baker
Fluid Minerals Engineering Office
BLM - Vernal Office

Robin Hansen
Fluid Minerals Engineering Office
BLM - Vernal Office

Stan Perkes
Solid Minerals Office
Bureau of Land Management

Form 3160- 5
(August, 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004- 0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *- Other Instructions on page 2.*

5. Lease Serial No.: SL066312
6. If Indian, Allottee, or Tribe Name:
7. If Unit or CA. Agreement Name and/or No.: Walker Hollow Unit

1. Type of Well: [ ] Oil Well [ ] Gas Well [X] Other — Conversion to Injection

8. Well Name and No.: Walker Hollow Unit 43

2. Name of Operator: Citation Oil & Gas Corp.

9. API Well No.: 43-047-30687

3a. Address: P O Box 690688, Houston, Texas 77269

3b. Phone No. *(include area code)*: 281-517-7800

10. Field and Pool, or Exploratory Area: Walker Hollow Green River

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*: SW NE 1 T 7S R 23E — Lat. / Long.

11. County or Parish, State: Uintah Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
[x] Notice of Intent	[ ] Acidize	[ ] Deepen	[ ] Production (Start/ Resume)	[ ] Water Shut-off	
	[ ] Altering Casing	[ ] Fracture Treat	[ ] Reclamation	[ ] Well Integrity	
[ ] Subsequent Report	[ ] Casing Repair	[ ] New Construction	[ ] Recomplete	[ ] Other	
	[ ] Change Plans	[ ] Plug and abandon	[ ] Temporarily Abandon		
[ ] Final Abandonment Notice	[x] Convert to Injection	[ ] Plug back	[ ] Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Citation has filed and application with the EPA and state of Utah to convert the Walker Hollow Unit 43 well to injection per the attached procedures.

RECEIVED
OCT 22 2008
PRODUCTION DEPT.

RECEIVED
VERNAL FIELD OFFICE
2008 SEP 15 PM 12 49
DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

14. I hereby certify that the foregoing is true and correct.

Name *(Printed/ Typed)*: Sharon Ward — Title: Permitting Manager

Signature: Sharon Ward — Date: 10-Sep-08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by — Title: Petroleum Engineer — Date: SEP 29 2008

Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. — Office

Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitiousor fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

OPERATOR

CONDITIONS OF APPROVAL ATTACHED

CONDITIONS OF APPROVAL

Citation Oil & Gas Corp.

Notice of Intent
Well Conversion to Injection

The well conversion to injection is approved with the following conditions:

1. This approval is conditional on Citation Oil & Gas Corp. receiving prior approval from the Agency with UIC approval primacy, EPA or State of Utah.
2. The UIC approval shall be submitted to the BLM Vernal Field Office.

This is an Order of the Authorized Officer (see 43 CFR 3162.1(a)). Please see 43 CFR 3165.3 for information on your review and appeal rights. If you have any questions, please feel free to contact Ryan Angus of this office at (435) 781-4430.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: SL066312

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME: Walker Hollow Unit UTU66837A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Conversion to injection

8. WELL NAME and NUMBER: Walker Hollow Unit 43

2. NAME OF OPERATOR: Citation Oil & Gas Corp.

9. API NUMBER: 4304730687

3. ADDRESS OF OPERATOR: P O Box 690688 CITY Houston STATE TX ZIP 77260

PHONE NUMBER: (281) 517-7800

10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2975 FSL & 1960 FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 1 7S 23E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☑ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
_____	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☑ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. plans to convert the Walker Hollow Unit 43 to injection upon EPA approval with attached procedure. Application was submitted to state and EPA on . EPA approval is anticipated this year.

NAME (PLEASE PRINT) Sharon Ward TITLE Permitting Manager

SIGNATURE Sharon Ward DATE 9/10/2008

(This space for State use only)

RECEIVED
MAR 09 2009
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

WORKOVER PROCEDURE

PROJECT: Walker Hollow Unit 43: Convert to Water Injection Well

DRILLED & COMPLETED: 11/80 LAST WO: 11/80 – Initial completion as producer

LOCATION: 2975' FSL & 1960' FEL, SW NE Sec. 1, T7S, R23E

FIELD: Red Wash COUNTY: Uintah STATE: UT

TD: 5655' KB PBTD: 5448' KB DATUM: 5389' GL KB to GL: 12'

CASING AND LINER RECORD

SIZE	WEIGHT	DEPTH	CEMENT	HOLE SIZE	TOC	REMARKS
9 5/8"	36#	383'	350 sx	12 1/4"	SURFACE	CIRC'D
7"	20, 23 & 29#	5635'	665 sx	8 3/4"	2325'	Temp-Survey (8/80)

PRESENT FORMATION AND COMPLETION: Green River: 4449' – 5440' OA

TUBING: 143 jts 2 7/8" 6.5# J-55 8rd EUE tbg, 7" TAC @ ~4362', 34 jts 2 7/8" 6.5# J-55 8rd EUE tbg, SN @ ~5400', 2 7/8" PS, 1 jt 2 7/8" 6.5# J-55 8rd EUE tbg w/ BP & collar, EOT @ ~5440' KB

ROD DETAIL: 1 1/2" x 30' PR w/ Liner, 56 – 1" 'D' SR, 81 – 7/8" 'D' SR, 66 – 3/4" 'D' SR, 10 – 1" 'D' SR, 2 1/2" x 1 1/2" x 20' x 21 1/2' RHBC

MISC.: 3/7/07 – Filed sundry requesting permission to leave well SI in order to review utility & field development. Well is assumed to have a RP.

PROCEDURE

- MI & rack ~5450' 2 7/8" 6.5 ppf N-80 8rd EUE workstring tubing (if necessary).
- MI & rack ~5300' 2 7/8" 6.5 ppf J-55 8rd EUE IPC injection tubing.
- "Double Truck" HW annulus prior to pulling operations.

1. MI RU PU. POOH w/ rod string to part. If necessary, fish rods & pump. POOH & LD rods & pump. HW tubing & annulus to clean-up.
2. NU BOP. Release TAC set @ ± 4362'. POOH & Tally 2 7/8" production tubing.
   Note: If production tubing is in poor shape, lay down and have it cleaned and inspected. If production tubing is in good shape, use it to run bit & scraper.
3. PU & RIH w/ 6 1/8" MT Bit, Scraper & SN on tbg to PBTD @ 5448'. CHC. POOH & LD 2 7/8" tbg, Scraper & Bit.
5. PU & RIH w/ 2 7/8" injection assembly as follows (top → bottom) – KB correction of 9':

   - ± 139 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tubing (± 4390')
   - 2 7/8" x 7" Baker model "AR-1" Snap-Set compression PKR (± 6.1') set @ ± 4400' KBM
   - ± 28 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tubing (± 885')
   - 2 7/8" x 7" Baker model "R" PKR (± 7.58') set @ ± 5290' KBM - EOT @ ± 5298' KBM

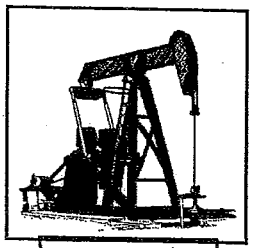
6. Set model "R" PKR @ ± 5290'. Set "AR-1" Snap-Set PKR at ± 4400'.
7. RU pump truck. Load annulus & PT to 1500 psi. Release PKR's & circulate hole w/ PKR FL (**NOTE: Annular capacity to bottom PKR is ~166 Bbls**). Reset PKR's. Load annulus w/ PKR FL. PT annulus to 1500 psi.
8. ND BOP. NU WH. Perform MIT as per BLM & Utah regulations. RD pump truck. RD MO PU.
9. Install injection line. Wait on injection permit approval.
10. After approval is received initiate injection at desired rates.
11. Monitor until rates stabilize. Run injection profile.

CITATION OIL & GAS CORP.
WALKER HOLLOW UNIT #43
2975' FSL, 1960' FEL, (SW NE) Sec 1-T7S-R23E
UINTAH CO., UTAH

API: 43-047-30687

Elevation: 5389' GL
KB = 12' AGL

Current Status: Shut-In Producer (rod part)



Lufkin: M456

12 1/4" Hole

9-5/8" 36# K-55 @ 383' w/ 350 sx – Circ'd to surface

8-3/4" Hole

TOC @ 2325' w/ T-survey (8/80)

GREEN RIVER

4a: 4449-4458' w/ 3 spf (Perf: 11/80)

5a2: 4808-4817' w/ 3 spf (Perf: 11/80)

5c: 4846-4856' w/ 3 spf (Perf: 11/80)

7b: 5096-5114' w/ 3 spf (Perf: 11/80)

8c: 5338-5358' w/ 3 spf (Perf: 11/80)

8d: 5396-5408' w/ 3 spf (Perf: 11/80)

La: 5430-5440' w/ 3 spf (Perf: 11/80)

7" 20, 23 & 29# K-55, 29 & 32# N-80 set @ 5635' w/ total of 665 sx (Stg I: 450 sx + Stg II: 215 sx; 33 sx circ'd off DV tool set @ 3479')

PBTD: 5448' (5/02)

TD: 5655'

Tbg detail
143 jts 2-7/8" 6.5-lb J-55 8rd
1 Randy's 7" TAC 4361.63'
34 Jts 2-7/8" 6.5-lb J-55 8rd
2-7/8" SN 1.10 5400.42'
2-7/8" Perforated Sub
1 jt 2-7/8" 6.5-lb J-55 8rd
1 plug with collar

Rod Detail:
1-1 ½ x 30' polish rod
56-1" Grade D
81-7/8" Grade D
66-3/4" Grade D
10-1" Grade D
Pump: 2-1/2"X1-1/2"X20'X21-1/2" RHBC

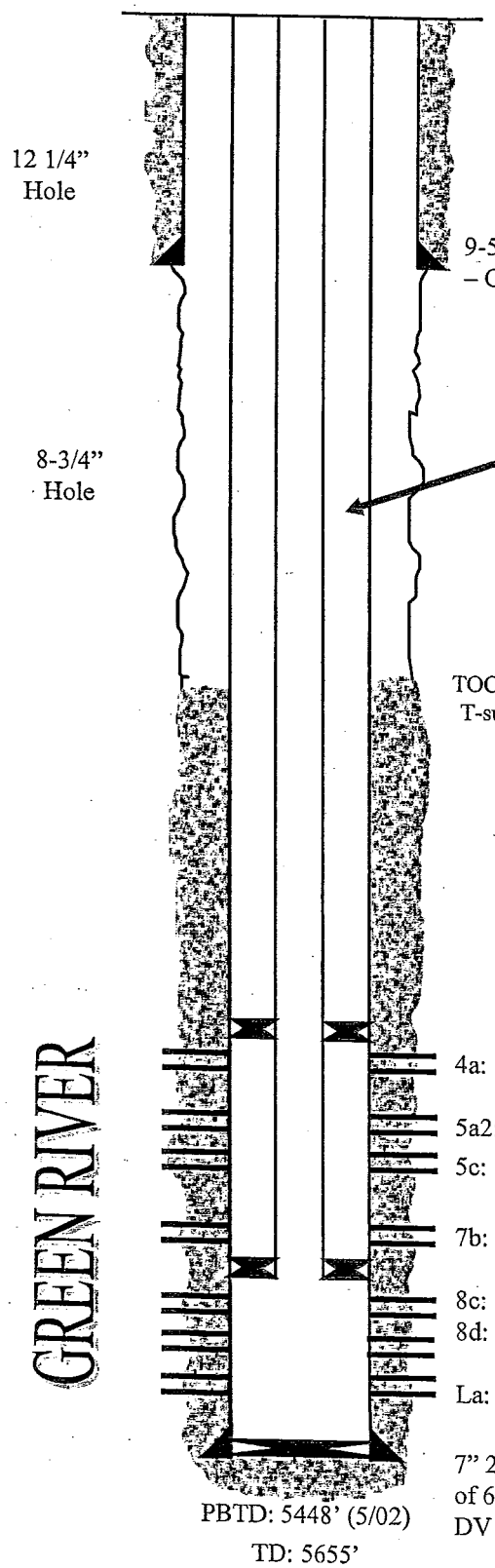
Updated: 8/26/08 - JT

CITATION OIL & GAS CORP.
WALKER HOLLOW UNIT #43 WIW
2975' FSL, 1960' FEL, (SW NE) Sec 1-T7S-R23E
UINTAH CO., UTAH

API: 43-047-30687

Elevation: 5389' GL
KB = 12' AGL

Proposed Status: Active WIW



Proposed Completion Assembly

± 139 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tbg
2 7/8" x 7" "Snap-Set" PKR set @ ± 4400' KBM
± 28 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tbg
2 7/8" x 7" Model "R" PKR @ ± 5290' KBM

Updated: 8/26/08 - JT

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: SL066312

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Walker Hollow Unit UTU66837A

1. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ OTHER ~~Injection~~

8. WELL NAME and NUMBER: Walker Hollow Unit 43

2. NAME OF OPERATOR: Citation Oil & Gas Corp.

9. API NUMBER: 4304730687

3. ADDRESS OF OPERATOR: P.O. Box 690688 CITY Houston STATE TX ZIP 77269-0688

PHONE NUMBER: (281) 517-7800

10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2975' FSL & 2960' FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 1 7S 23E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Retain Shut In Status
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. requests approval to retain this well in a temporarily abandoned status pending conversion to injection. We have applied to EPA for approval to convert the USA Pearl Broadhurst 20, Walker Hollow Unit 39 and Walker Hollow Unit 43 to injection. Upon EPA approval and conversion to injection we plan to reactivate the USA Pearl Broadhurst 15 and USA Pearl Broadhurst 16 based on the impact of the additional injection and the economical justification of the project at that time. BLM has approved TA extension for the USA Pearl Broadhurst 15, 16 20 and Walker Hollow Unit 39 and 43 based upon this plan.

COPY SENT TO OPERATOR
Date: 5.4.2009
Initials: KS

NAME (PLEASE PRINT) Debra Harris TITLE Regulatory Compliance Coordinator

SIGNATURE Debra Harris DATE 2/16/2009

(This space for State use only)

Accepted by the Utah Division of Oil, Gas and Mining
Date: 4/28/09
By: [signature]
*Valid thru 8/27/09

Federal Approval Of This Action Is Necessary

(See Instructions on Reverse Side)

RECEIVED
MAR 09 2009
DIV. OF OIL, GAS & MINING

(5/2000)

Citation
OIL & GAS CORP.

June 25, 2008

State of Utah
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Sale Lake City, Utah 84114-5801

ATTN: Mr. Dustin Doucet, Petroleum Engineer

Re: TA Extension Sundry Denials
Walker Hollow Field, Uintah County, Utah

Mr. Doucette, 7S 23E 1

On June 16, 2008 we received denials to TA extension request sundries for 5 wells located in the Walker Hollow Field as follows:

- USA Pearl Broadhurst 15; (Federal Lease UTU02651A); API 43-047-30901
- USA Pearl Broadhurst 16; (Federal Lease UTU02651A); API 43-047-30903
- USA Pearl Broadhurst 20; (Federal Lease UTU02651A); API 43-047-30941
- Walker Hollow Unit 39; (Federal Lease UTU02651A); API 43-047-30415
- Walker Hollow Unit 43; (State Lease SL066312/ Federal Unit UTU66837A); API 43-047-30687

Initial sundries requesting either retention of Shut In or Temporarily Abandoned status for each well pending reservoir study to determine the feasibility of either reactivation or utilization in the field were approved by your office 3/13/2007 and approved by the BLM 4/12/2007. Each of these wells has been reviewed with both the operations engineer and the reservoir engineer for this field who are currently putting together proposals for a number of wells to be either converted to injectors or recompleted, or drilled as either producers or injectors in this field.

Both the USA Pearl Broadhurst 15 and 16 are proposed to be reactivated as producers with the remaining three wells to be converted to injection wells. With this in mind, we would appreciate your reconsideration of the TA extension denials allowing us to continue putting together the proposal packages which will be forwarded to your office as well as the BLM office in Vernal, Utah for approval prior to beginning the work. It is anticipated that the paperwork for these can be submitted for approval by March, 2009. The three injection wells must be permitted through the EPA, so the permit approval process will take considerably longer. We have finally received EPA pre-injection stipulations for the Walker Hollow Unit 72 and 87 wells which are to be converted to injection. Once converted and waterflood response is recognized, Citation has proposed to reactivate both the Walker Hollow Unit 36 and 74 wells in previous correspondence.

If there is additional information you would like to review in order to reconsider the TA extension requests, please contact me at (281) 517-7194 or via email at dharris@cogc.com.

Sincerely,
Debra Harris

Debra Harris
Regulatory Compliance Coordinator

/dkh

RECEIVED
JUL 28 2008
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 02651A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME: USA Pearl Broadhurst

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER

8. WELL NAME and NUMBER: USA Pearl Broadhurst 15

2. NAME OF OPERATOR: Citation Oil & Gas Corp.

9. API NUMBER: 4304730901

3. ADDRESS OF OPERATOR: P O Box 690688 CITY Houston STATE TX ZIP 77269

PHONE NUMBER: (281) 517-7800

10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 522' FSL & 555' FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 9 7S 23E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☑ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. requests approval to retain this well in a temporarily abandoned status for potential reactivation. The well was shut in December, 2002. There is 2-7/8" tubing, RHAC pump and rods in the well.

RECEIVED
JUN 16 2008
PRODUCTION DEPT.

NAME (PLEASE PRINT) Debra Harris TITLE Regulatory Compliance Coordinator

SIGNATURE Debra Harris DATE 3/7/2008

(This space for State use only)

REQUEST DENIED
Utah Division of
Oil, Gas and Mining
Date: 6/4/08
By: *See R649-3-36

Federal Approval Of This
Action Is Necessary
(See Instructions on Reverse Side)

RECEIVED
JUL 28 2008
DIV. OF OIL, GAS & MINING

RECEIVED
MAR 10 2008
DIV. OF OIL, GAS & MINING

(5/2000)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 02651A
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: USA Pearl Broadhurst
8. WELL NAME and NUMBER: USA Pearl Broadhurst 16
9. API NUMBER: 4304730903
10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER
2. NAME OF OPERATOR: Citation Oil & Gas Corp.
3. ADDRESS OF OPERATOR: P O Box 690688 CITY Houston STATE TX ZIP 77269 PHONE NUMBER: (281) 517-7800
4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1977' FSL & 662' FWL COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 10 7S 23E STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☑ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. requests approval to retain this well in a temporarily abandoned status for potential reactivation. The well was shut in during January, 2002. There is no tubing nor pump in the well.

RECEIVED
JUN 16 2008
PRODUCTION DEPT.

NAME (PLEASE PRINT) Debra Harris TITLE Regulatory Compliance Coordinator

SIGNATURE Debra Harris DATE 3/7/2008

(This space for State use only)

REQUEST DENIED
Utah Division of
Oil, Gas and Mining
Date: 6/4/08
By:
* See R649-3-36

Federal Approval Of This
Action Is Necessary

RECEIVED
MAR 10 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

RECEIVED
JUL 28 2008
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 02651A
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: USA Pearl Broadhurst
8. WELL NAME and NUMBER: USA Pearl Broadhurst 20
9. API NUMBER: 4304730941
10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER ____

2. NAME OF OPERATOR: Citation Oil & Gas Corp.

3. ADDRESS OF OPERATOR: P O Box 690688 CITY Houston STATE TX ZIP 77269 PHONE NUMBER: (281) 517-7800

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1980' FNL & 1978' FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 9 7S 23E
COUNTY: Uintah
STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☑ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: ____
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. requests approval to retain this well in a temporarily abandoned status for potential conversion to injection. The well was shut in during October, 2001. There is no tubing nor pump in the well.

RECEIVED
JUN 16 2008
PRODUCTION DEPT.

NAME (PLEASE PRINT) Debra Harris TITLE Regulatory Compliance Coordinator
SIGNATURE Debra Harris DATE 3/7/2008

(This space for State use only)

REQUEST DENIED
Utah Division of
Oil, Gas and Mining
Date: 6/4/09
By: [signature]
← See R649-3-36

Federal Approval Of This Action Is Necessary

RECEIVED
MAR 10 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 02651C
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: Walker Hollow Unit UTU66837A
8. WELL NAME and NUMBER: Walker Hollow Unit 39
9. API NUMBER: 4304730415
10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Injection
2. NAME OF OPERATOR: Citation Oil & Gas Corp.
3. ADDRESS OF OPERATOR: P.O. Box 690688 CITY Houston STATE TX ZIP 77269-0688 PHONE NUMBER: (281) 517-7800
4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1963' FSL & 574' FEL COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 10 7S 23E STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
Date of work completion:	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Retain Shut In Status
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. requests approval to retain this well in a shut in status pending potential reactivation subsequent to waterflood analysis of the Walker Hollow Unit.

RECEIVED
JUN 16 2008
PRODUCTION DEPT.

NAME (PLEASE PRINT) Debra Harris TITLE Regulatory Compliance Coordinator
SIGNATURE Debra Harris DATE 3/7/2008

(This space for State use only)

REQUEST DENIED
Utah Division of
Oil, Gas and Mining
Date: 6/14/08
By:
*See R649-3-36

Federal Approval Of This
Action Is Necessary

(See Instructions on Reverse Side)

RECEIVED
MAR 10 2008
DIV. OF OIL, GAS & MINING

(5/2000)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Injection	5. LEASE DESIGNATION AND SERIAL NUMBER: SL066312
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	7. UNIT or CA AGREEMENT NAME: Walker Hollow Unit UTU66837A
	8. WELL NAME and NUMBER: Walker Hollow Unit 43
2. NAME OF OPERATOR: Citation Oil & Gas Corp.	9. API NUMBER: 4304730687
3. ADDRESS OF OPERATOR: P.O. Box 690688 CITY Houston STATE TX ZIP 77269-0688 PHONE NUMBER: (281) 517-7800	10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River
4. LOCATION OF WELL: FOOTAGES AT SURFACE: 2975' FSL & 2960' FEL COUNTY: Uintah	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 1 7S 23E STATE: UTAH	

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
Date of work completion: _____	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Retain Shut In Status
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. requests approval to retain this well in a shut in status pending potential reactivation subsequent to waterflood analysis of the Walker Hollow Unit.

RECEIVED
JUN 16 2008
PRODUCTION DEPT.

NAME (PLEASE PRINT) Debra Harris TITLE Regulatory Compliance Coordinator

SIGNATURE Debra Harris DATE 3/7/2008

(This space for State use only)

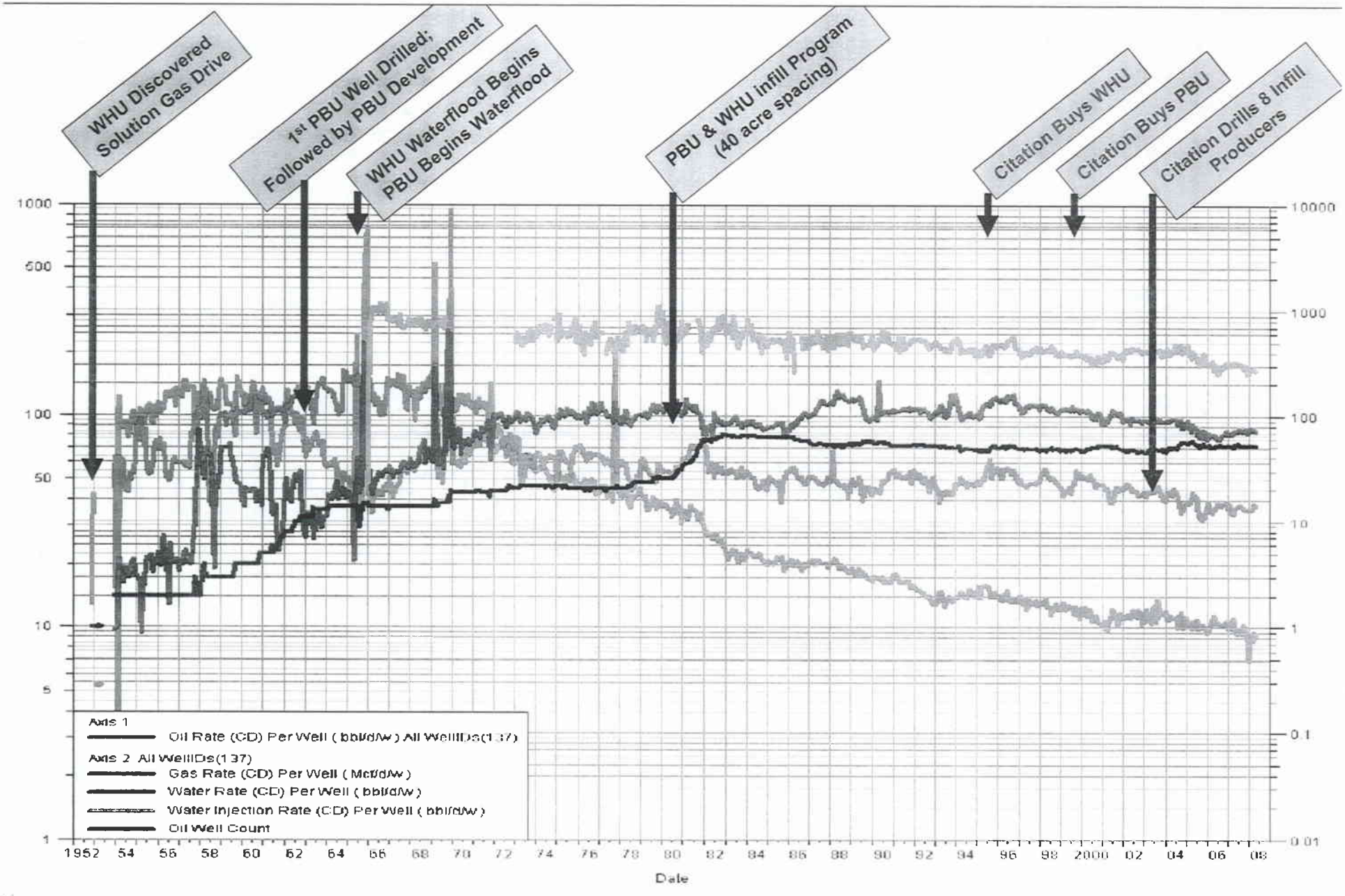
REQUEST DENIED
Utah Division of
Oil, Gas and Mining
Date: 6/4/08
By: [signature]
* See Rule 649-3-36

Federal Approval Of This
Action Is Necessary
(See Instructions on Reverse Side)

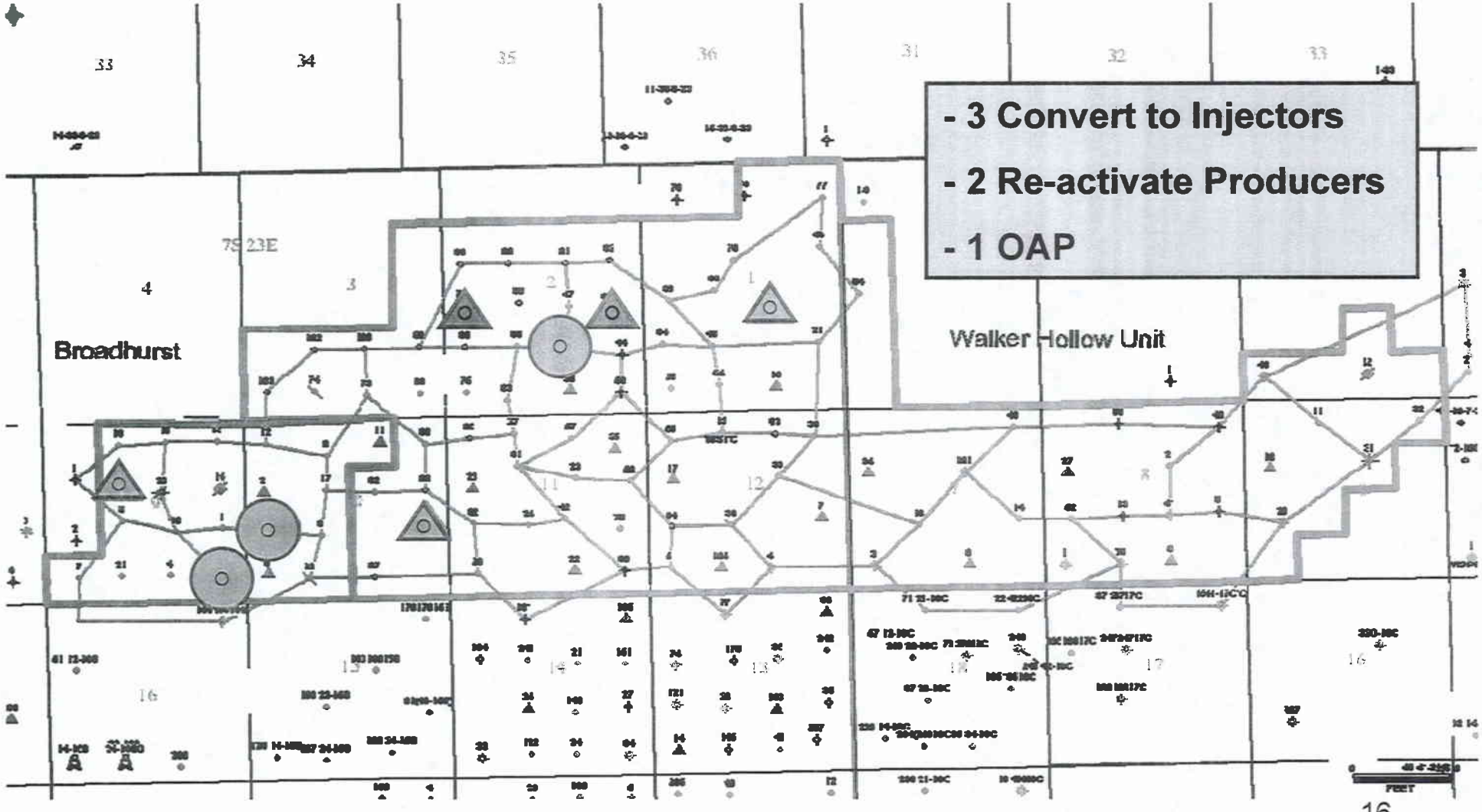
RECEIVED
MAR 10 2008
DIV. OF OIL, GAS & MINING

(5/2000)

Walker Hollow Unit / Pearl Broadhurst Unit Production History



Phase 1 of Field Development

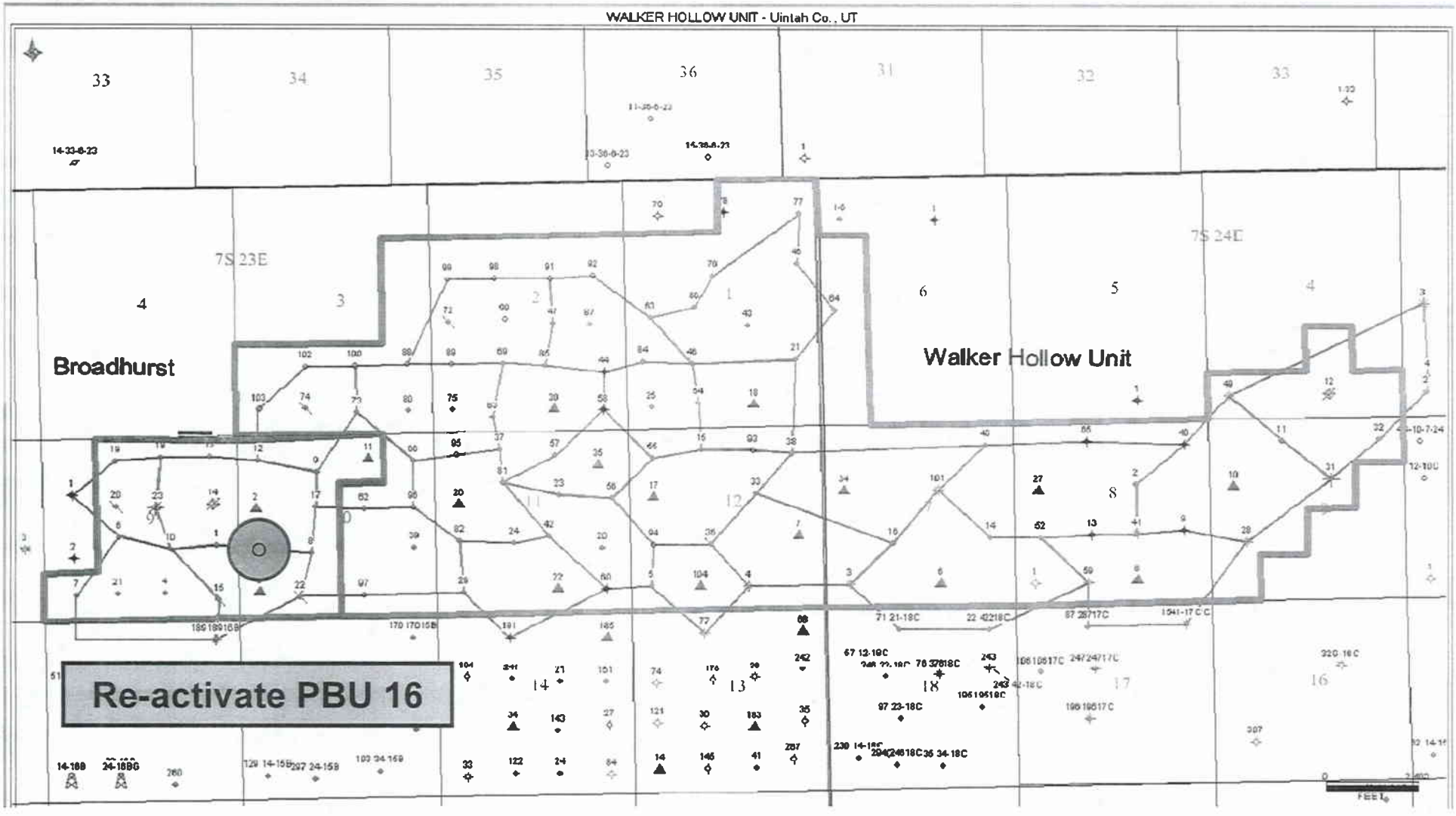


16

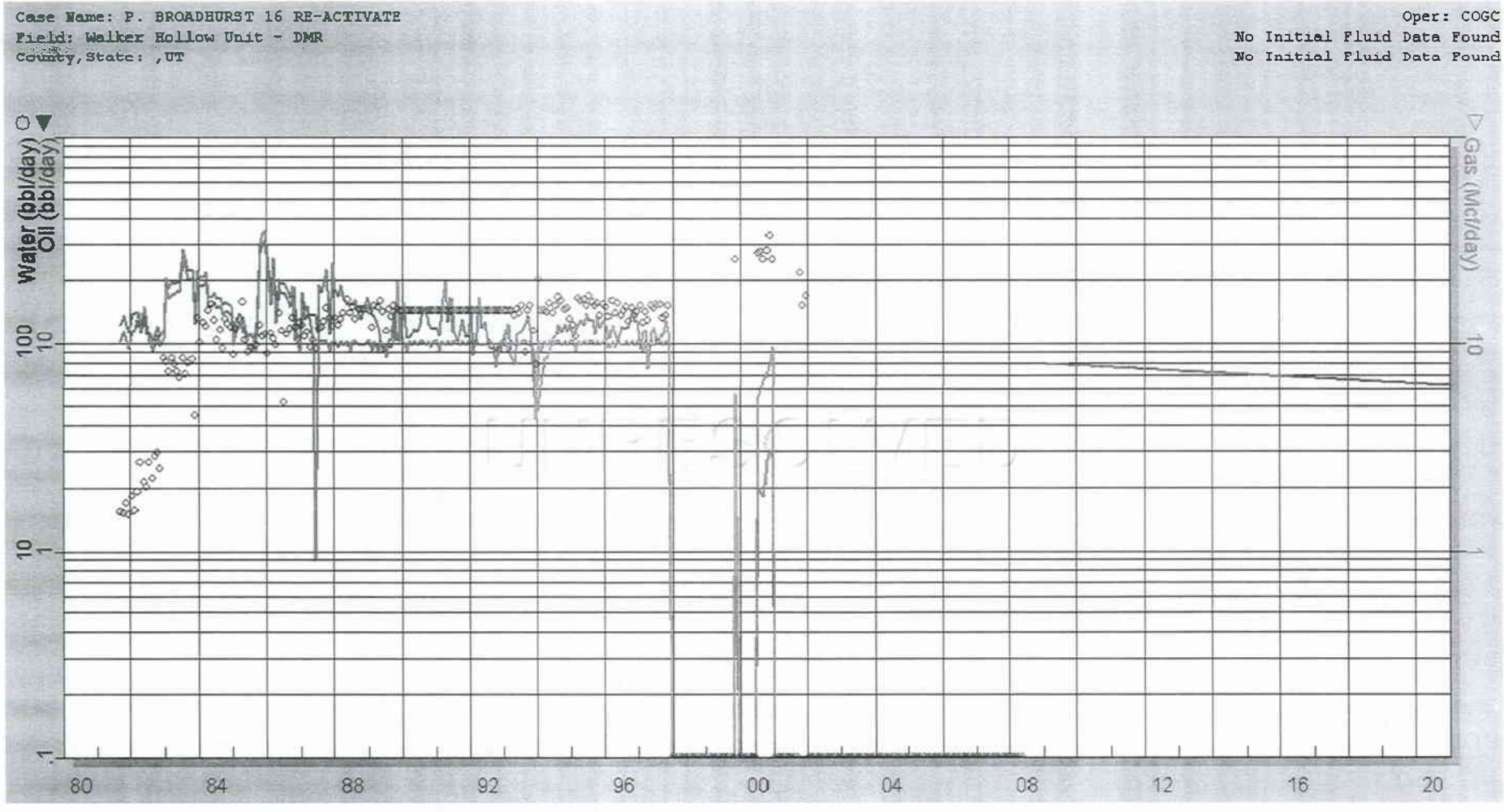
▲ - Currently In Process of Converting

& - Current CAC Proposal

PBU 16 Location

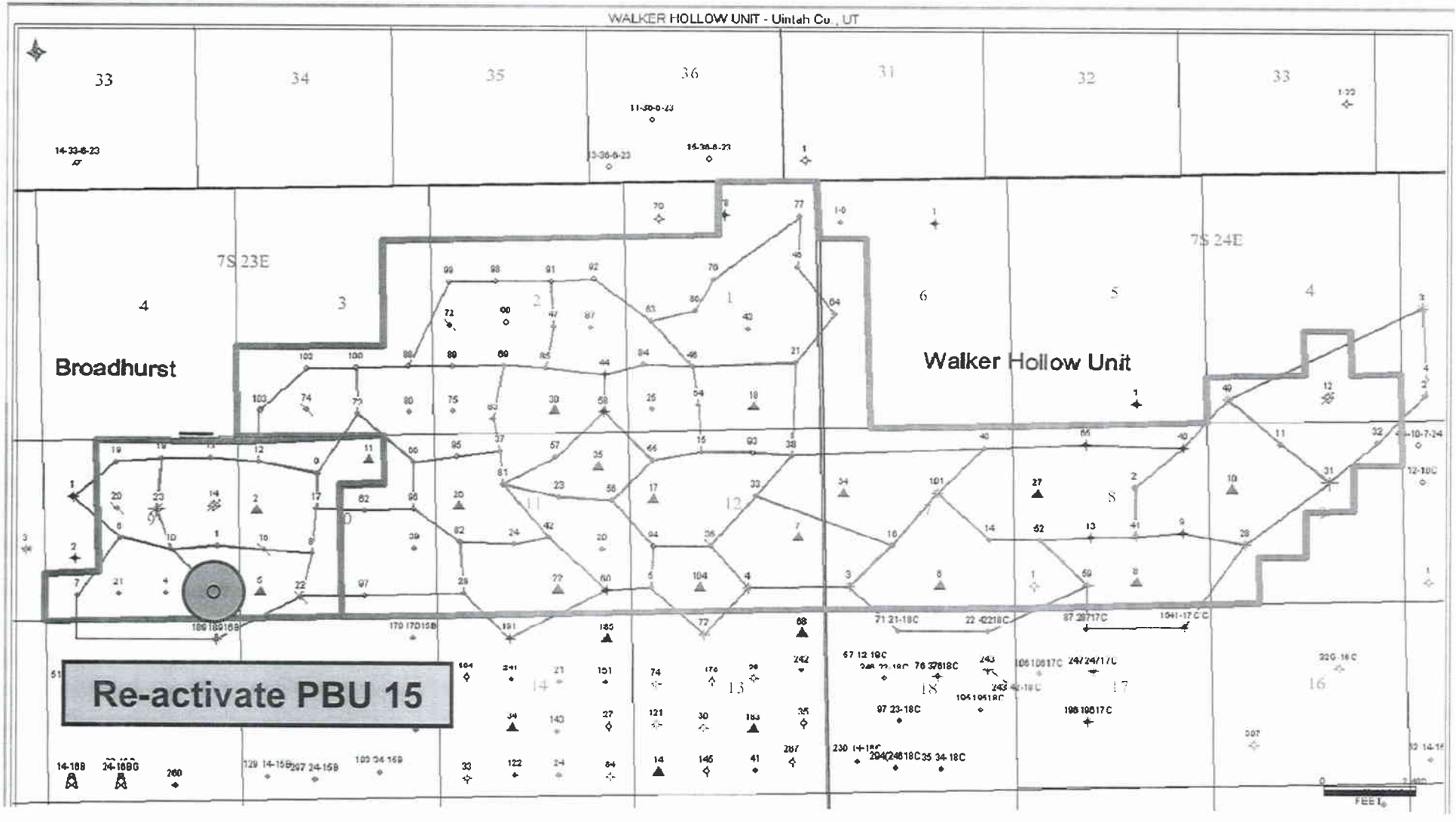


Production History for PBU 16

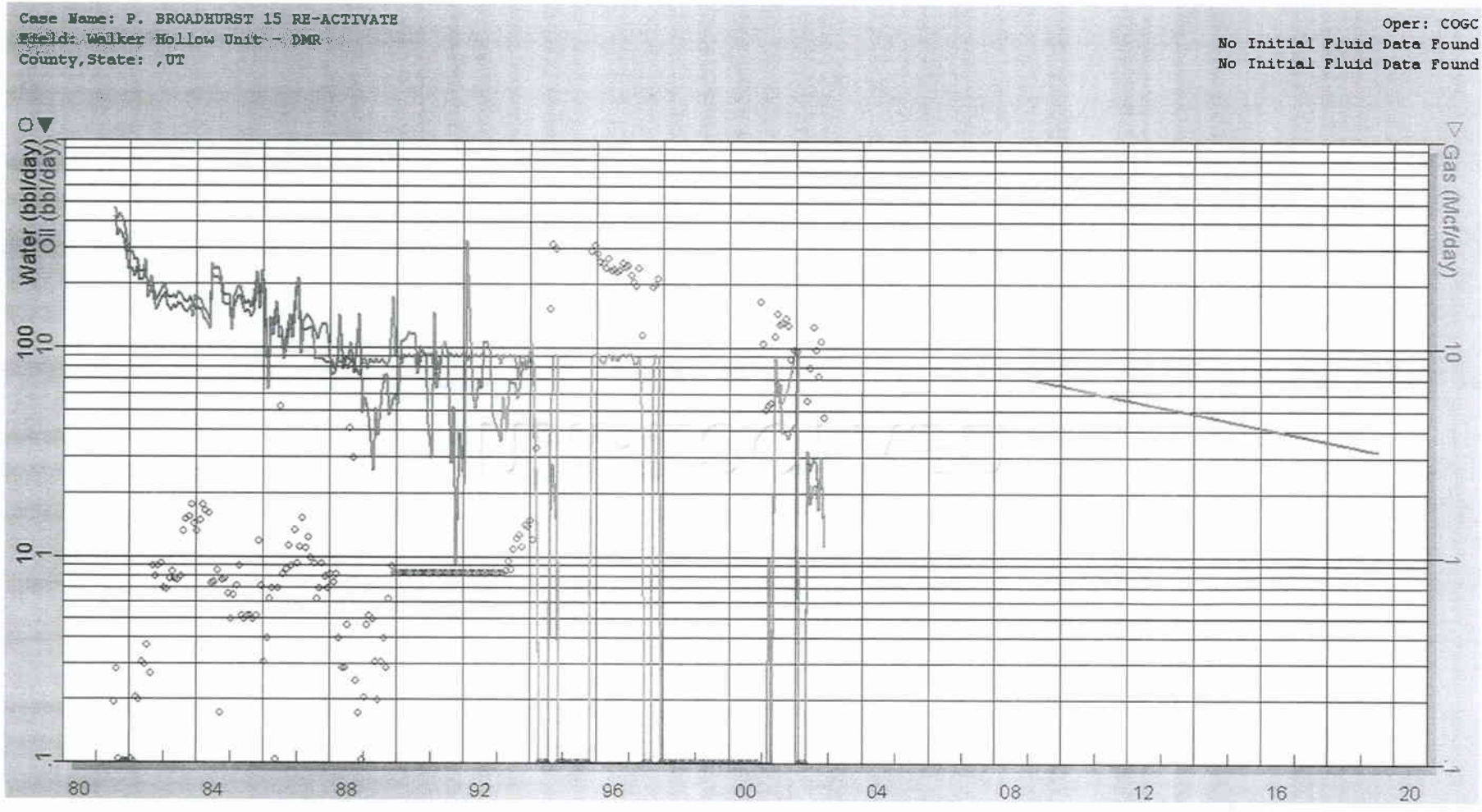


***2000-2001: Well turned on without stimulation**
****Proposal: Re-activate and stimulate PBU 15**

PBU 15 Location



Production History for PBU 15



***2000-2001: Well turned on without stimulation**
****Proposal: Re-activate and stimulate PBU 15**

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: SL066312

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Walker Hollow Unit UTU66837A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Injection

8. WELL NAME and NUMBER: Walker Hollow Unit 43

2. NAME OF OPERATOR: Citation Oil & Gas Corp.

9. API NUMBER: 4304730687

3. ADDRESS OF OPERATOR: P.O. Box 690688 CITY Houston STATE TX ZIP 77269-0688

PHONE NUMBER: (281) 891-1576

10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2975' FSL & 2960' FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 1 7S 23E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Retain Shut In Status
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas Corp. requests approval to retain this well in an inactive status pending conversion to injection. We have applied to EPA for approval to convert this well to injection (see attached). Once well is converted to injection, additional reactivations are planned as economically justified and as the impact of the additional injection is realized.

COPY SENT TO OPERATOR
Date: 9.28.2009
Initials: KS

NAME (PLEASE PRINT) Debra Harris TITLE Regulatory Compliance Coordinator

SIGNATURE Debra Harris DATE 8/11/2009

(This space for State use only)

REQUEST DENIED
Utah Division of
Oil, Gas and Mining
Date: 9/24/09
By:
*see R649-3-36 requirements

Federal Approval Of This Action Is Necessary

(See Instructions on Reverse Side)

RECEIVED
AUG 17 2009
DIV. OF OIL, GAS & MINING

(5/2000)

Form 3160- 5
(August, 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004- 0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *- Other Instructions on page 2.*

5. Lease Serial No.: SL066312
6. If Indian, Allottee, or Tribe Name:
7. If Unit or CA. Agreement Name and/or No.: Walker Hollow Unit

1. Type of Well: [ ] Oil Well [ ] Gas Well [X] Other — Conversion to Injection

2. Name of Operator: Citation Oil & Gas Corp.

Walker Hollow Unit 43

9. API Well No.: 43-047-30687

3a. Address: P O Box 690688, Houston, Texas 77269

3b. Phone No. *(include area code)*: 281-517-7800

10. Field and Pool, or Exploratory Area: Walker Hollow Green River

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*: SW NE 1 T 7S R 23E — Lat. / Long.

11. County or Parish, State: Uintah Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
[x] Notice of Intent	[ ] Acidize	[ ] Deepen	[ ] Production (Start/ Resume)	[ ] Water Shut-off	
	[ ] Altering Casing	[ ] Fracture Treat	[ ] Reclamation	[ ] Well Integrity	
[ ] Subsequent Report	[ ] Casing Repair	[ ] New Construction	[ ] Recomplete	[ ] Other	
	[ ] Change Plans	[ ] Plug and abandon	[ ] Temporarily Abandon		
[ ] Final Abandonment Notice	[x] Convert to Injection	[ ] Plug back	[ ] Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Citation has filed and application with the EPA and state of Utah to convert the Walker Hollow Unit 43 well to injection per the attached procedures.

RECEIVED
OCT 22 2008
PRODUCTION DEPT.

RECEIVED
VERNAL FIELD OFFICE
2008 SEP 15 PM 12 45
DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

14. I hereby certify that the foregoing is true and correct.

Name *(Printed/ Typed)*: Sharon Ward — Title: Permitting Manager

Signature: Sharon Ward — Date: 10-Sep-08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by — Title: Petroleum Engineer — Date: SEP 29 2008

Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. — Office

Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitiousor fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

OPERATOR

CONDITIONS OF APPROVAL ATTACHED

CONDITIONS OF APPROVAL

Citation Oil & Gas Corp.

Notice of Intent
Well Conversion to Injection

The well conversion to injection is approved with the following conditions:

1. This approval is conditional on Citation Oil & Gas Corp. receiving prior approval from the Agency with UIC approval primacy, EPA or State of Utah.
2. The UIC approval shall be submitted to the BLM Vernal Field Office.

This is an Order of the Authorized Officer (see 43 CFR 3162.1(a)). Please see 43 CFR 3165.3 for information on your review and appeal rights. If you have any questions, please feel free to contact Ryan Angus of this office at (435) 781-4430.

WORKOVER PROCEDURE

PROJECT: Walker Hollow Unit 43: Convert to Water Injection Well

DRILLED & COMPLETED: 11/80 LAST WO: 11/80 – Initial completion as producer

LOCATION: 2975' FSL & 1960' FEL, SW NE Sec. 1, T7S, R23E

FIELD: Red Wash COUNTY: Uintah STATE: UT

TD: 5655' KB PBTD: 5448' KB DATUM: 5389' GL KB to GL: 12'

CASING AND LINER RECORD

SIZE	WEIGHT	DEPTH	CEMENT	HOLE SIZE	TOC	REMARKS
9 5/8"	36#	383'	350 sx	12 1/4"	SURFACE	CIRC'D
7"	20, 23 & 29#	5635'	665 sx	8 3/4"	2325'	Temp-Survey (8/80)

PRESENT FORMATION AND COMPLETION: Green River: 4449' – 5440' OA

TUBING: 143 jts 2 7/8" 6.5# J-55 8rd EUE tbg, 7" TAC @ ~4362', 34 jts 2 7/8" 6.5# J-55 8rd EUE tbg, SN @ ~5400', 2 7/8" PS, 1 jt 2 7/8" 6.5# J-55 8rd EUE tbg w/ BP & collar, EOT @ ~5440' KB

ROD DETAIL: 1 1/2" x 30' PR w/ Liner, 56 – 1" 'D' SR, 81 – 7/8" 'D' SR, 66 – 3/4" 'D' SR, 10 – 1" 'D' SR, 2 1/2" x 1 1/2" x 20' x 21 1/2' RHBC

MISC.: 3/7/07 – Filed sundry requesting permission to leave well SI in order to review utility & field development. Well is assumed to have a RP.

PROCEDURE

- MI & rack ~5450' 2 7/8" 6.5 ppf N-80 8rd EUE workstring tubing (if necessary).
- MI & rack ~5300' 2 7/8" 6.5 ppf J-55 8rd EUE IPC injection tubing.
- "Double Truck" HW annulus prior to pulling operations.

1. MI RU PU. POOH w/ rod string to part. If necessary, fish rods & pump. POOH & LD rods & pump. HW tubing & annulus to clean-up.
2. NU BOP. Release TAC set @ ± 4362'. POOH & Tally 2 7/8" production tubing.
   Note: If production tubing is in poor shape, lay down and have it cleaned and inspected. If production tubing is in good shape, use it to run bit & scraper.
3. PU & RIH w/ 6 1/8" MT Bit, Scraper & SN on tbg to PBTD @ 5448'. CHC. POOH & LD 2 7/8" tbg, Scraper & Bit.
5. PU & RIH w/ 2 7/8" injection assembly as follows (top → bottom) – KB correction of 9':

   - ± 139 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tubing (± 4390')
   - 2 7/8" x 7" Baker model "AR-1" Snap-Set compression PKR (± 6.1') set @ ± 4400' KBM
   - ± 28 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tubing (± 885')
   - 2 7/8" x 7" Baker model "R" PKR (± 7.58') set @ ± 5290' KBM - EOT @ ± 5298' KBM

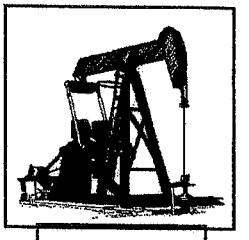
6. Set model "R" PKR @ ± 5290'. Set "AR-1" Snap-Set PKR at ± 4400'.
7. RU pump truck. Load annulus & PT to 1500 psi. Release PKR's & circulate hole w/ PKR FL (**NOTE: Annular capacity to bottom PKR is ~166 Bbls**). Reset PKR's. Load annulus w/ PKR FL. PT annulus to 1500 psi.
8. ND BOP. NU WH. Perform MIT as per BLM & Utah regulations. RD pump truck. RD MO PU.
9. Install injection line. Wait on injection permit approval.
10. After approval is received initiate injection at desired rates.
11. Monitor until rates stabilize. Run injection profile.

CITATION OIL & GAS CORP.
WALKER HOLLOW UNIT #43
2975' FSL, 1960' FEL, (SW NE) Sec 1-T7S-R23E
UINTAH CO., UTAH

API: 43-047-30687

Elevation: 5389' GL
KB = 12' AGL

Current Status: Shut-In Producer (rod part)



Lufkin: M456

12 1/4" Hole

9-5/8" 36# K-55 @ 383' w/ 350 sx – Circ'd to surface

8-3/4" Hole

TOC @ 2325' w/ T-survey (8/80)

GREEN RIVER

4a: 4449-4458' w/ 3 spf (Perf: 11/80)

5a2: 4808-4817' w/ 3 spf (Perf: 11/80)

5c: 4846-4856' w/ 3 spf (Perf: 11/80)

7b: 5096-5114' w/ 3 spf (Perf: 11/80)

8c: 5338-5358' w/ 3 spf (Perf: 11/80)

8d: 5396-5408' w/ 3 spf (Perf: 11/80)

La: 5430-5440' w/ 3 spf (Perf: 11/80)

7" 20, 23 & 29# K-55, 29 & 32# N-80 set @ 5635' w/ total of 665 sx (Stg I: 450 sx + Stg II: 215 sx; 33 sx circ'd off DV tool set @ 3479')

PBTD: 5448' (5/02)

TD: 5655'

Tbg detail
143 jts 2-7/8" 6.5-lb J-55 8rd
1 Randy's 7" TAC 4361.63'
34 Jts 2-7/8" 6.5-lb J-55 8rd
2-7/8" SN 1.10 5400.42'
2-7/8" Perforated Sub
1 jt 2-7/8" 6.5-lb J-55 8rd
1 plug with collar

Rod Detail:
1-1 ½ x 30' polish rod
56-1" Grade D
81-7/8" Grade D
66-3/4" Grade D
10-1" Grade D
Pump: 2-1/2"X1-1/2"X20'X21-1/2" RHBC

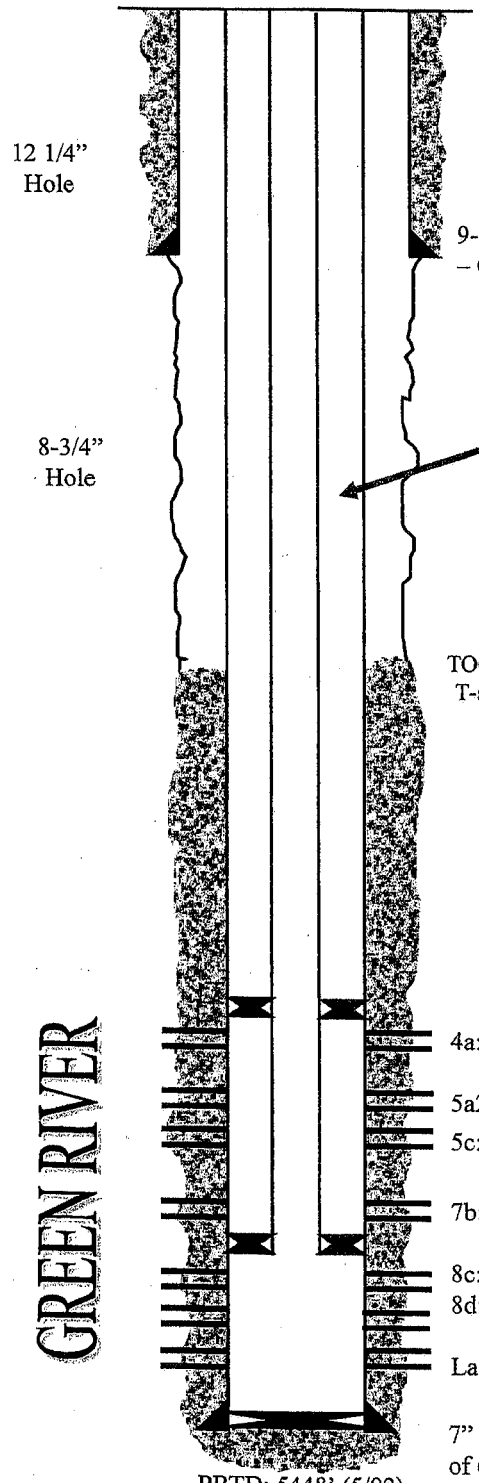
Updated: 8/26/08 - JT

CITATION OIL & GAS CORP.
WALKER HOLLOW UNIT #43 WIW
2975' FSL, 1960' FEL, (SW NE) Sec 1-T7S-R23E
UINTAH CO., UTAH

API: 43-047-30687

Elevation: 5389' GL
KB = 12' AGL

Proposed Status: Active WIW



Proposed Completion Assembly

± 139 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tbg
2 7/8" x 7" "Snap-Set" PKR set @ ± 4400' KBM
± 28 jts 2 7/8" 6.5 ppf J-55 8rd EUE IPC tbg
2 7/8" x 7" Model "R" PKR @ ± 5290' KBM

7" 20, 23 & 29# K-55, 29 & 32# N-80 set @ 5635' w/ total of 665 sx (Stg I: 450 sx + Stg II: 215 sx; 33 sx circ'd off DV tool set @ 3479')

Updated: 8/26/08 - JT

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
http://www.epa.gov/region08

OCT 0 8 2008

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Sharon Ward
Citation Oil and Gas Corporation
P.O. Box 690688
Houston, TX 72269-0688

Re: Application Administratively Complete
EPA UIC Permit UT21196-08241
Well: Walker Hollow Unit 43
Uintah County, UT

Dear Mr. Sundberg:

The purpose of this letter is to inform you that the underground injection permit application you recently submitted to the U.S. Environmental Protection Agency (EPA) Region 8 Ground Water Program Office, for an Underground Injection Control (UIC) Program permit for the above referenced well or project area, has been reviewed and is considered by the Director to be administratively complete pursuant to Code of Federal Regulations Title 40 Part 124 Section 3 (40 CFR §124.3). Please note that although your application included required documentation for demonstrating financial responsibility, the Director may revise the total amount of financial responsibility required based on cost estimates for the approved plugging and abandonment plan.

The EPA UIC Permit number listed above has been assigned to your EPA UIC permit application. Please reference this number when contacting the EPA regarding this application. Your application will be assigned to a UIC Permit Writer and processed in the order it was received.

The Permit Writer will contact you when he or she begins work on a permit application. The Permit Writer will evaluate the technical merits of the permit application, and will begin preparing a draft permit decision and statement of basis. Although a permit application is considered to be administratively complete, if the Permit Writer requires additional information in order to clarify, modify, or supplement the technical or other information submitted with the permit application, the Permit Writer will contact you.

Pursuant to 40 CFR §124.6, the Director will tentatively decide whether to prepare a draft permit or to deny the permit application. If the Director tentatively decides to deny the permit application, EPA will issue public notice of intent to deny and you will be notified by letter when the public notice of intent to deny is published for public comment. If the Director decides to prepare a draft permit, the Permit Writer will complete the draft UIC permit, statement of basis, and public notice of the draft permit.

After the draft UIC permit has been prepared, the draft UIC permit will be made available for public comment, with the opportunity for a public hearing, for a minimum of thirty (30) days. When the draft UIC permit is issued for public comment, you will be notified by letter and provided with a copy of the draft UIC permit, statement of basis and public notice. Following closure of the public notice and public comment period, the Director will issue a final UIC permit decision.

If you have questions regarding progress on your UIC permit application before you are notified that a Permit Writer has been assigned, please contact Douglas Minter at (303) 312-6079. After the Permit Writer has been assigned, please contact that person with your questions.

Sincerely,

for Steven J. Pratt, P.E., CAPM (inactive)
Director, Ground Water Program

cc:

Uintah & Ouray Business Committee:
Curtis Cesspooch, Chairman
Ronald Groves, Councilman
Irene Cuch, Vice-Chairwoman
Steven Cesspooch, Councilman
Phillip Chimburas, Councilman
Frances Poowegup, Councilwoman

Michelle Sabori
Acting Director
Land Use Department
Ute Indian Tribe

Larry Love
Director of Energy & Minerals Dept.
Ute Indian Tribe

Elaine Willie
GAP Coordinator, Ute Indian Tribe

Daniel Picard
BIA - Uintah & Ouray Indian Agency

Michelle Sabori
Acting Director
Land Use Department
Ute Indian Tribe

Gil Hunt
Assistant Director
Utah Division of Oil, Gas, and Mining

Matt Baker
Fluid Minerals Engineering Office
BLM - Vernal Office

Robin Hansen
Fluid Minerals Engineering Office
BLM - Vernal Office

Stan Perkes
Solid Minerals Office
Bureau of Land Management

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
1595 WYNKOOP STREET
DENVER, CO 80202-1129
http://www.epa.gov/region8

MAY 13 2010

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

Sharon Ward
Citation Oil and Gas Corporation
P.O. Box 690688
Houston, TX 77269-0688

Re: FINAL Permit
EPA UIC Permit UT21196-08241
Well: Walker Hollow Unit 43
NESW Sec. 1-T7S-R23E
Uintah County, UT
API No.: 43-047-30687

Dear Ms. Ward:

Enclosed is your copy of the FINAL Underground Injection Control (UIC) Permit for the proposed Walker Hollow Unit 43 injection well. A Statement of Basis that discusses the conditions and requirements of this EPA UIC Permit, is also included.

The Public Comment period for this Permit ended on APR 30 2010. No comments on the Draft Permit were received during the Public Notice period; therefore the Effective Date for this EPA UIC Permit is the date of issuance. All conditions set forth herein refer to Title 40 Parts 124, 144, 146, and 147 of the Code of Federal Regulations (CFR) and are regulations that are in effect as of the Effective Date of this Permit.

Please note that under the terms and conditions of this Final Permit you are authorized only to construct the proposed injection well. Prior to commencing injection, you first must fulfill all "Prior to Commencing Injection" requirements of the Final Permit, Part II Section C.1, and obtain written Authorization to Inject from the EPA. It is your responsibility to be familiar with and to comply with all provisions of your Final Permit. The EPA forms referenced in the permit are available at http://www.epa.gov/safewater/uic/reportingforms.html. Guidance documents for Cement Bond Logging, Radioactive Tracer testing, Step Rate testing, Mechanical Integrity demonstration, Procedure in the Event of a Mechanical Integrity Loss, and other UIC guidances, are available at http://www.epa.gov/region8/water/uic/ deep_injection.html. Upon request, hard copies of the EPA forms and guidances can be provided.

RECEIVED
MAY 19 2010
DIV. OF OIL, GAS & MINING

This EPA UIC Permit is issued for the operating life of the well unless terminated (Part III, Section B). The EPA may review this Permit at least every five (5) years to determine whether any action is warranted pursuant to 40 CFR § 144.36(a).

If you have any questions on the enclosed Final Permit or Statement of Basis, please call Bruce Suchomel of my staff at (303) 312-6001, or toll-free at (800) 227-8917, ext. 312-6001.

Sincerely,

for Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

enclosure: Final UIC Permit
Statement of Basis

cc: Uintah & Ouray Business Committee
The Honorable Curtis Cesspooch, Chairman
Ronald Groves, Councilman
Irene Cuch, Vice Chairwoman
Phillip Chimbraus, Councilman
Frances Poowegup, Councilwoman

Daniel Picard
BIA - Uintah & Ouray Indian Agency

with enclosures:

Ferron Secakuku
Director, Natural Resources
Ute Indian Tribe

Gil Hunt
Associate Director
Utah Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office
BLM - Vernal Office

Robin Hansen
Fluid Minerals Engineering Office
BLM - Vernal Office

Larry Love
Director of Energy & Minerals Dept.
Ute Indian Tribe

EPA

UNDERGROUND INJECTION CONTROL PROGRAM

PERMIT

PREPARED: May 2010

Permit No. UT21197-08242

Class II Enhanced Oil Recovery Injection Well

USA Pearl Broadhurst 20
Uintah County, UT

Issued To

Citation Oil & Gas Corporation
14077 Cutten Rd
Houston, TX 77069

Part I. AUTHORIZATION TO CONSTRUCT AND OPERATE

Under the authority of the Safe Drinking Water Act and Underground Injection Control (UIC) Program regulations of the U. S. Environmental Protection Agency (EPA) codified at Title 40 of the Code of Federal Regulations (40 CFR) Parts 2, 124, 144, 146, and 147, and according to the terms of this Permit,

Citation Oil & Gas Corporation
14077 Cutten Rd
Houston, TX 77069

is authorized to construct and to operate the following Class II injection well or wells:

USA Pearl Broadhurst 20
1980 FNL 1978 FWL, SENW S9, T7S, R23E
Uintah County, UT

EPA regulates the injection of fluids into injection wells so that injection does not endanger underground sources of drinking water (USDWs). EPA UIC Permit conditions are based on authorities set forth at 40 CFR Parts 144 and 146, and address potential impacts to USDWs.

Under 40 CFR Part 144, Subpart D, certain conditions apply to all UIC Permits and may be incorporated either expressly or by reference. General permit conditions for which the content is mandatory and not subject to site-specific differences are not discussed in this document. Issuance of this Permit does not convey any property rights of any sort or any exclusive privilege, nor does it authorize injury to persons or property or invasion of other private rights, or any infringement of other Federal, State or local laws or regulations. (40 CFR §144.35) An EPA UIC Permit may be issued for the operating life of the injection well or project unless terminated for reasonable cause under 40 CFR §144.39, 144.40 and 144.41, and may be reviewed at least once every five (5) years to determine if action is required under 40 CFR §144.36(a).

This Permit is issued for the life of the well(s) unless modified, revoked and reissued, or terminated under 40 CFR §144.39 or 144.40. This EPA Permit may be adopted, modified, revoked and reissued, or terminated if primary enforcement authority for a UIC Program is delegated to an Indian Tribe or State. Upon the effective date of delegation, reports, notifications, questions and other correspondence should be directed to the Indian Tribe or State Director.

Issue Date: MAY 13 2010 Effective Date MAY 13 2010

for Stephen S. Tuber
Assistant Regional Administrator*
Office of Partnerships and Regulatory Assistance

*NOTE: The person holding this title is referred to as the "Director" throughout this Permit.

PART II. SPECIFIC PERMIT CONDITIONS

Section A. WELL CONSTRUCTION REQUIREMENTS

These requirements represent the approved minimum construction standards for well casing and cement, injection tubing, and packer.

Details of the approved well construction plan are incorporated into this Permit as APPENDIX A. Changes to the approved plan that may occur during construction must be approved by the Director prior to being physically incorporated.

1. Casing and Cement.

The well or wells shall be cased and cemented to prevent the movement of fluids into or between underground sources of drinking water. The well casing and cement shall be designed for the life expectancy of the well and of the grade and size shown in APPENDIX A. Remedial cementing may be required if shown to be inadequate by cement bond log or other attempted demonstration of Part II (External) mechanical integrity.

2. Injection Tubing and Packer.

Injection tubing is required, and shall be run and set with a packer at or below the depth indicated in APPENDIX A. The packer setting depth may be changed provided it remains below the depth indicated in APPENDIX A and the Permittee provides notice and obtains the Director's approval for the change.

3. Sampling and Monitoring Devices.

The Permittee shall install and maintain in good operating condition:

(a) a "tap" at a conveniently accessible location on the injection flow line between the pump house or storage tanks and the injection well, isolated by shut-off valves, for collection of representative samples of the injected fluid; and

(b) one-half (1/2) inch female iron pipe fitting, isolated by shut-off valves and located at the wellhead at a conveniently accessible location, for the attachment of a pressure gauge capable of monitoring pressures ranging from normal operating pressures up to the Maximum Allowable Injection Pressure specified in APPENDIX C:

  (i) on the injection tubing; and

  (ii) on the tubing-casing annulus (TCA); and

(c) a pressure actuated shut-off device attached to the injection flow line set to shut-off the injection pump when or before the Maximum Allowable Injection Pressure (MAIP) specified in APPENDIX C is reached at the wellhead; and

(d) a non-resettable cumulative volume recorder attached to the injection line.

4. Well Logging and Testing

Well logging and testing requirements are found in APPENDIX B. The Permittee shall ensure the log and test requirements are performed within the time frames specified in APPENDIX B. Well logs and tests shall be performed according to current EPA-approved procedures. Well log and test results shall be submitted to the Director within sixty (60) days of completion of the logging or testing activity, and shall include a report describing the methods used during logging or testing and an interpretation of the test or log results.

5. Postponement of Construction or Conversion

The Permittee shall complete well construction within one year of the Effective Date of the Permit, or in the case of an Area Permit within one year of Authorization of the additional well. Authorization to construct and operate shall expire if the well has not been constructed within one year of the Effective Date of the Permit or Authorization and the Permit may be terminated under 40 CFR 144.40, unless the Permittee has notified the Director and requested an extension prior to expiration. Notification shall be in writing, and shall state the reasons for the delay and provide an estimated completion date. Once Authorization has expired under this part, the complete permit process including opportunity for public comment may be required before Authorization to construct and operate may be reissued.

6. Workovers and Alterations

Workovers and alterations shall meet all conditions of the Permit. Prior to beginning any addition or physical alteration to an injection well that may significantly affect the tubing, packer or casing, the Permittee shall give advance notice to the Director and obtain the Director's approval. The Permittee shall record all changes to well construction on a Well Rework Record (EPA Form 7520-12), and shall provide this and any other record of well workover, logging, or test data to EPA within sixty (60) days of completion of the activity.

A successful demonstration of Part I MI is required following the completion of any well workover or alteration which affects the casing, tubing, or packer. Injection operations shall not be resumed until the well has successfully demonstrated mechanical integrity and the Director has provided written approval to resume injection.

Section B. MECHANICAL INTEGRITY

The Permittee is required to ensure each injection well maintains mechanical integrity at all times. The Director, by written notice, may require the Permittee to comply with a schedule describing when mechanical integrity demonstrations shall be made.

An injection well has mechanical integrity if:

(a) There is no significant leak in the casing, tubing, or packer (Part I); and

(b) There is no significant fluid movement into an underground source of drinking water through vertical channels adjacent to the injection well bore (Part II).

1. Demonstration of Mechanical Integrity (MI).

The operator shall demonstrate MI prior to commencing injection and periodically thereafter. Well-specific conditions dictate the methods and the frequency for demonstrating MI and are discussed in the Statement of Basis. The logs and tests are designed to demonstrate both internal (Part I) and external (Part II) MI as described above. The conditions present at this well site warrant the methods and frequency required in Appendix B of this Permit.

In addition to these regularly scheduled demonstrations of MI, the operator shall demonstrate internal (Part I) MI after any workover which affects the tubing, packer or casing.

The Director may require additional or alternative tests if the results presented by the operator are not satisfactory to the Director to demonstrate there is no movement of fluid into or between USDWs resulting from injection activity. Results of MI tests shall be submitted to the Director as soon as possible but no later than sixty (60) days after the test is complete.

2. Mechanical Integrity Test Methods and Criteria

EPA-approved methods shall be used to demonstrate mechanical integrity. Ground Water Section Guidance No. 34 "Cement Bond Logging Techniques and Interpretation", Ground Water Section Guidance No. 37, "Demonstrating Part II (External) Mechanical Integrity for a Class II injection well permit", and Ground Water Section Guidance No. 39, "Pressure Testing Injection Wells for Part I (Internal) Mechanical Integrity" are available from EPA and will be provided upon request.

The Director may stipulate specific test methods and criteria best suited for a specific well construction and injection operation.

3. Notification Prior to Testing.

The Permittee shall notify the Director at least 30 days prior to any scheduled mechanical integrity test. The Director may allow a shorter notification period if it would be sufficient to enable EPA to witness the mechanical integrity test. Notification may be in the form of a yearly or quarterly schedule of planned mechanical integrity tests, or it may be on an individual basis.

4. Loss of Mechanical Integrity.

If the well fails to demonstrate mechanical integrity during a test, or a loss of mechanical integrity becomes evident during operation (such as presence of pressure in the TCA, water flowing at the surface, etc.), the Permittee shall notify the Director within 24 hours (see Part III Section E Paragraph 11(e) of this Permit) and the well shall be shut-in within 48 hours unless the Director requires immediate shut-in.

Within five days, the Permittee shall submit a follow-up written report that documents test results, repairs undertaken or a proposed remedial action plan.

Injection operations shall not be resumed until after the well has successfully been repaired and demonstrated mechanical integrity, and the Director has provided approval to resume injection.

Section C. WELL OPERATION

INJECTION BETWEEN THE OUTERMOST CASING PROTECTING UNDERGROUND SOURCES OF DRINKING WATER AND THE WELL BORE IS PROHIBITED.

Injection is approved under the following conditions:

1. Requirements Prior to Commencing Injection.

Well injection, including for new wells authorized by an Area Permit under 40 CFR 144.33 (c), may commence only after all well construction and pre-injection requirements herein have been met and approved. The Permittee may not commence injection until construction is complete, and

(a) The Permittee has submitted to the Director a notice of completion of construction and a completed EPA Form 7520-10 or 7520-12; all applicable logging and testing requirements of this Permit (see APPENDIX B) have been fulfilled and the records submitted to the Director; mechanical integrity pursuant to 40 CFR 146.8 and Part II Section B of this Permit has been demonstrated; and

(i) The Director has inspected or otherwise reviewed the new injection well and finds it is in compliance with the conditions of the Permit; or

(ii) The Permittee has not received notice from the Director of his or her intent to inspect or otherwise review the new injection well within 13 days of the date of the notice in Paragraph 1a, in which case prior inspection or review is waived and the Permittee may commence injection.

2. Injection Interval.

Injection is permitted only within the approved injection interval, listed in APPENDIX C. Additional individual injection perforations may be added provided that they remain within the approved injection interval and the Permittee provides notice to the Director in accordance with Part II, Section A, Paragraph 6.

3. Injection Pressure Limitation

(a) The permitted Maximum Allowable Injection Pressure (MAIP), measured at the wellhead, is found in APPENDIX C. Injection pressure shall not exceed the amount the Director determines is appropriate to ensure that injection does not initiate new fractures or propagate existing fractures in the confining zone adjacent to USDWs. In no case shall injection pressure cause the movement of injection or formation fluids into a USDW.

(b) The Permittee may request a change of the MAIP, or the MAIP may be increased or decreased by the Director in order to ensure that the requirements in Paragraph (a) above are fulfilled. The Permitee may be required to conduct a step rate injection test or other suitable test to provide information for determining the fracture pressure of the injection zone. Change of the permitted MAIP by the Director shall be by modification of this Permit and APPENDIX C.

4. Injection Volume Limitation.

Injection volume is limited to the total volume specified in APPENDIX C.

5. Injection Fluid Limitation.

Injected fluids are limited to those identified in 40 CFR 144.6(b)(2) as fluids used for enhanced recovery of oil or natural gas, including those which are brought to the surface in connection with conventional oil or natural gas production that may be commingled with waste waters from gas plants which are an integral part of production operations unless those waters are classified as a hazardous waste at the time of injection, pursuant to 40 CFR 144.6(b). Non-exempt wastes, including unused fracturing fluids or acids, gas plant cooling tower cleaning wastes, service wastes and vacuum truck wastes, are NOT approved for injection. This well is NOT approved for commercial brine injection, industrial waste fluid disposal or injection of hazardous waste as defined by CFR 40 Part 261. The Permittee shall provide a listing of the sources of injected fluids in accordance with the reporting requirements in Part II Section D Paragraph 4 and APPENDIX D of this Permit.

6. Tubing-Casing Annulus (TCA)

The tubing-casing annulus (TCA) shall be filled with water treated with a corrosion inhibitor, or other fluid approved by the Director. The TCA valve shall remain closed during normal operating conditions and the TCA pressure shall be maintained at zero (0) psi.

If TCA pressure cannot be maintained at zero (0) psi, the Permittee shall follow the procedures in Ground Water Section Guidance No. 35 "Procedures to follow when excessive annular pressure is observed on a well."

Section D. MONITORING, RECORDKEEPING, AND REPORTING OF RESULTS

1. Monitoring Parameters, Frequency, Records and Reports.

Monitoring parameters are specified in APPENDIX D. Pressure monitoring recordings shall be taken at the wellhead. The listed parameters are to be monitored, recorded and reported at the frequency indicated in APPENDIX D even during periods when the well is not operating.

Monitoring records must include:

(a) the date, time, exact place and the results of the observation, sampling, measurement, or analysis, and;

(b) the name of the individual(s) who performed the observation, sampling, measurement, or analysis, and;

(c) the analytical techniques or methods used for analysis.

2. Monitoring Methods.

(a) Monitoring observations, measurements, samples, etc. taken for the purpose of complying with these requirements shall be representative of the activity or condition being monitored.

(b) Methods used to monitor the nature of the injected fluids must comply with analytical methods cited and described in Table 1 of 40 CFR 136.3 or Appendix III of 40 CFR 261, or by other methods that have been approved in writing by the Director.

(c) Injection pressure, annulus pressure, injection rate, and cumulative injected volumes shall be observed and recorded at the wellhead under normal operating conditions, and all parameters shall be observed simultaneously to provide a clear depiction of well operation.

(d) Pressures are to be measured in pounds per square inch (psi).

(e) Fluid volumes are to be measured in standard oil field barrels (bbl).

(f) Fluid rates are to be measured in barrels per day (bbl/day).

3. Records Retention.

(a) Records of calibration and maintenance, and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit shall be retained for a period of AT LEAST THREE (3) YEARS from the date of the sample, measurement, report, or application. This period may be extended anytime prior to its expiration by request of the Director.

(b) Records of the nature and composition of all injected fluids must be retained until three (3) years after the completion of any plugging and abandonment (P&A) procedures specified under 40 CFR 144.52(a)(6) or under Part 146 Subpart G, as appropriate. The Director may require the Permittee to deliver the records to the Director at the conclusion of the retention period. The Permittee shall continue to retain the records after the three (3) year retention period unless the Permittee delivers the records to the Director or obtains written approval from the Director to discard the records.

4. Annual Reports.

Whether the well is operating or not, the Permittee shall submit an Annual Report to the Director that summarizes the results of the monitoring required by Part II Section D and APPENDIX D.

The first Annual Report shall cover the period from the effective date of the Permit through December 31 of that year. Subsequent Annual Reports shall cover the period from January 1 through December 31 of the reporting year. Annual Reports shall be submitted by February 15 of the year following data collection. EPA Form 7520-11 may be copied and shall be used to submit the Annual Report, however, the monitoring requirements specified in this Permit are mandatory even if EPA Form 7520-11 indicates otherwise.

Section E. PLUGGING AND ABANDONMENT

1. Notification of Well Abandonment, Conversion or Closure.

The Permittee shall notify the Director in writing at least forty-five (45) days prior to: 1) plugging and abandoning an injection well, 2) converting to a non-injection well, and 3) in the case of an Area Permit, before closure of the project.

2. Well Plugging Requirements

Prior to abandonment, the injection well shall be plugged with cement in a manner which isolates the injection zone and prevents the movement of fluids into or between underground sources of drinking water, and in accordance with 40 CFR 146.10 and other applicable Federal, State or local law or regulations. Tubing, packer and other downhole apparatus shall be removed. Cement with additives such as accelerators and retarders that control or enhance cement properties may be used for plugs; however, volume-extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.6 lb/gal shall be placed between all plugs. A minimum 50 ft surface plug shall be set inside and outside of the surface casing to seal pathways for fluid migration into the subsurface. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. Prior to placement of the cement plug(s) the well shall be in a state of static equilibrium with the mud weight equalized top to bottom, either by circulating the mud in the well at least once or by a comparable method prescribed by the Director.

3. Approved Plugging and Abandonment Plan.

The approved plugging and abandonment plan is incorporated into this Permit as APPENDIX E. Changes to the approved plugging and abandonment plan must be approved by the Director prior to beginning plugging operations. The Director also may require revision of the approved plugging and abandonment plan at any time prior to plugging the well.

4. Forty Five (45) Day Notice of Plugging and Abandonment.

The Permittee shall notify the Director at least forty-five (45) days prior to plugging and abandoning a well and provide notice of any anticipated change to the approved plugging and abanonment plan.

5. Plugging and Abandonment Report.

Within sixty (60) days after plugging a well, the Permittee shall submit a report (EPA Form 7520-13) to the Director. The plugging report shall be certified as accurate by the person who performed the plugging operation. Such report shall consist of either:

(a) A statement that the well was plugged in accordance with the approved plugging and abandonment plan; or

(b) Where actual plugging differed from the approved plugging and abandonment plan, an updated version of the plan, on the form supplied by the Director, specifying the differences.

6. Inactive Wells.

After any period of two years during which there is no injection the Permittee shall plug and abandon the well in accordance with Part II Section E Paragraph 2 of this Permit unless the Permittee:

(a) Provides written notice to the Director;

(b) Describes the actions or procedures the Permittee will take to ensure that the well will not endanger USDWs during the period of inactivity. These actions and procedures shall include compliance with mechanical integrity demonstration, Financial Responsibility and all other permit requirements designed to protect USDWs; and

(c) Receives written notice by the Director temporarily waiving plugging and abandonment requirements.

PART III. CONDITIONS APPLICABLE TO ALL PERMITS

Section A. EFFECT OF PERMIT

The Permittee is allowed to engage in underground injection in accordance with the conditions of this Permit. The Permittee shall not construct, operate, maintain, convert, plug, abandon, or conduct any other activity in a manner that allows the movement of fluid containing any contaminant into underground sources of drinking water, if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 CFR 142 or may otherwise adversely affect the health of persons. Any underground injection activity not authorized by this Permit or by rule is prohibited. Issuance of this Permit does not convey property rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, any invasion of other private rights, or any infringement of any other Federal, State or local law or regulations. Compliance with the terms of this Permit does not constitute a defense to any enforcement action brought under the provisions of Section 1431 of the Safe Drinking Water Act (SDWA) or any other law governing protection of public health or the environment, for any imminent and substantial endangerment to human health or the environment, nor does it serve as a shield to the Permittee's independent obligation to comply with all UIC regulations. Nothing in this Permit relieves the Permittee of any duties under applicable regulations.

Section B. CHANGES TO PERMIT CONDITIONS

1. Modification, Reissuance, or Termination.

The Director may, for cause or upon a request from the Permittee, modify, revoke and reissue, or terminate this Permit in accordance with 40 CFR 124.5, 144.12, 144.39, and 144.40. Also, this Permit is subject to minor modification for causes as specified in 40 CFR 144.41. The filing of a request for modification, revocation and reissuance, termination, or the notification of planned changes or anticipated noncompliance on the part of the Permittee does not stay the applicability or enforceability of any condition of this Permit.

2. Conversions.

The Director may, for cause or upon a written request from the Permittee, allow conversion of the well from a Class II injection well to a non-Class II well. Conversion may not proceed until the Permittee receives written approval from the Director. Conditions of such conversion may include but are not limited to, approval of the proposed well rework, follow up demonstration of mechanical integrity, well-specific monitoring and reporting following the conversion, and demonstration of practical use of the converted configuration.

3. Transfer of Permit.

Under 40 CFR 144.38, this Permit is transferable provided the current Permittee notifies the Director at least thirty (30) days in advance of the proposed transfer date (EPA Form 7520-7) and provides a written agreement between the existing and new Permittees containing a specific date for transfer of Permit responsibility, coverage and liability between them. The notice shall adequately demonstrate that the financial responsibility requirements of 40 CFR 144.52(a)(7) will be met by the new Permittee. The Director may require modification or revocation and reissuance of the Permit to change the name of the Permittee and incorporate such other requirements as may be necessary under the Safe Drinking Water Act; in some cases, modification or revocation and reissuance is mandatory.

4. Permittee Change of Address.

Upon the Permittee's change of address, or whenever the operator changes the address where monitoring records are kept, the Permittee must provide written notice to the Director within 30 days.

5. Construction Changes, Workovers, Logging and Testing Data

The Permittee shall give advance notice to the Director, and shall obtain the Director's written approval prior to any physical alterations or additions to the permitted facility. Alterations or workovers shall meet all conditions as set forth in this permit. The Permittee shall record any changes to the well construction on a Well Rework Record (EPA Form 7520-12), and shall provide this and any other record of well workovers, logging , or test data to EPA within sixty (60) days of completion of the activity.

Following the completion of any well workovers or alterations which affect the casing, tubing, or packer, a successful demonstration of mechanical integrity (Part III, Section F of this Permit) shall be made, and written authorization from the Director received, prior to resuming injection activities.

Section C. SEVERABILITY

The Provisions of this Permit are severable, and if any provision of this Permit or the application of any provision of this Permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this Permit shall not be affected thereby.

Section D. CONFIDENTIALITY

In accordance with 40 CFR Part 2 and 40 CFR 144.5, information submitted to EPA pursuant to this Permit may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission by stamping the words "confidential business information" on each page containing such information. If no claim is made at the time of submission, EPA may make the information available to the public without further notice. If a claim is asserted, the validity of the claim will be assessed in accordance with the procedures in 40 CFR Part 2 (Public Information). Claims of confidentiality for the following information will be denied:

- The name and address of the Permittee, and
- information which deals with the existence, absence or level of contaminants in drinking water.

Section E. GENERAL PERMIT REQUIREMENTS

1. Duty to Comply.

The Permittee must comply with all conditions of this Permit. Any noncompliance constitutes a violation of the Safe Drinking Water Act (SDWA) and is grounds for enforcement action; for Permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application; except that the Permittee need not comply with the provisions of this Permit to the extent and for the duration such noncompliance is authorized in an emergency permit under 40 CFR 144.34. All violations of the SDWA may subject the Permittee to penalties and/or criminal prosecution as specified in Section 1423 of the SDWA.

2. *Duty to Reapply.*

If the Permittee wishes to continue an activity regulated by this Permit after the expiration date of this Permit, under 40 CFR 144.37 the Permittee must apply for a new permit prior to the expiration date.

3. *Need to Halt or Reduce Activity Not a Defense.*

It shall not be a defense for a Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this Permit.

4. *Duty to Mitigate.*

The Permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this Permit.

5. *Proper Operation and Maintenance.*

The Permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Permittee to achieve compliance with the conditions of this Permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of this Permit.

6. *Permit Actions.*

This Permit may be modified, revoked and reissued or teminated for cause. The filing of a request by the Permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

7. *Property Rights.*

This Permit does not convey any property rights of any sort, or any exclusive privilege.

8. *Duty to Provide Information.*

The Permittee shall furnish to the Director, within a time specified, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The Permittee shall also furnish to the Director, upon request, copies of records required to be kept by this Permit. The Permittee is required to submit any information required by this Permit or by the Director to the mailing address designated in writing by the Director.

9. *Inspection and Entry.*

The Permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

(a) Enter upon the Permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this Permit;

(b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this Permit;

(c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this Permit; and,

(d) Sample or monitor at reasonable times, for the purpose of assuring permit compliance or as otherwise authorized by the SDWA, any substances or parameters at any location.

10. Signatory Requirements.

All applications, reports or other information submitted to the Director shall be signed and certified according to 40 CFR 144.32. This section explains the requirements for persons duly authorized to sign documents, and provides wording for required certification.

11. Reporting Requirements.

(a) Planned changes. The Permittee shall give notice to the Director as soon as possible of any planned changes, physical alterations or additions to the permitted facility, and prior to commencing such changes.

(b) Anticipated noncompliance. The Permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

(c) Monitoring Reports. Monitoring results shall be reported at the intervals specified in this Permit.

(d) Compliance schedules. Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this Permit shall be submitted no later than 30 days following each schedule date.

(e) Twenty-four hour reporting. The Permittee shall report to the Director any noncompliance which may endanger human health or the environment, including:

(i) Any monitoring or other information which indicates that any contaminant may cause endangerment to a USDW; or

(ii) Any noncompliance with a permit condition or malfunction of the injection system which may cause fluid migration into or between USDWs.

Information shall be provided, either directly or by leaving a message, within twenty-four (24) hours from the time the permittee becomes aware of the circumstances by telephoning (800) 227-8917 and requesting EPA Region VIII UIC Program Compliance and Technical Enforcement Director, or by contacting the EPA Region VIII Emergency Operations Center at (303) 293-1788.

In addition, a follow up written report shall be provided to the Director within five (5) days of the time the Permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause, the period of noncompliance including exact dates and times, and if the noncompliance has not been corrected the anticipated time it is expected to continue; and the steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

(f) Oil Spill and Chemical Release Reporting: The Permittee shall comply with all reporting requirements related to the occurence of oil spills and chemical releases by contacting the National Response Center (NRC) at (800) 424-8802, (202) 267-2675, or through the NRC website http://www.nrc.uscg.mil/index.htm.

(g) Other Noncompliance. The Permittee shall report all instances of noncompliance not reported under paragraphs Part III, Section E Paragraph 11(b) or Section E, Paragraph 11(e) at the time the monitoring reports are submitted. The reports shall contain the information listed in Paragraph 11(e) of this Section.

(h) Other information. Where the Permittee becomes aware that it failed to submit any relevant facts in the permit application, or submitted incorrect information in a permit application or in any report to the Director, the Permittee shall promptly submit such facts or information to the Director.

Section F. FINANCIAL RESPONSIBILITY

1. Method of Providing Financial Responsibility.

The Permittee shall maintain continuous compliance with the requirement to maintain financial responsibility and resources to close, plug, and abandon the underground injection well(s). No substitution of a demonstration of financial responsibility shall become effective until the Permittee receives written notification from the Director that the alternative demonstration of financial responsibility is acceptable. The Director may, on a periodic basis, require the holder of a permit to revise the estimate of the resources needed to plug and abandon the well to reflect changes in such costs and may require the Permittee to provide a revised demonstration of financial responsibility.

2. Insolvency.

In the event of:

(a) the bankruptcy of the trustee or issuing institution of the financial mechanism; or

(b) suspension or revocation of the authority of the trustee institution to act as trustee; or

(c) the institution issuing the financial mechanism losing its authority to issue such an instrument

the Permittee must notify the Director in writing, within ten (10) business days, and the Permittee must establish other financial assurance or liability coverage acceptable to the Director within sixty (60) days after any event specified in (a), (b), or (c) above.

The Permittee must also notify the Director by certified mail of the commencement of voluntary or involuntary proceedings under Title 11 (Bankruptcy), U.S. Code naming the owner or operator as debtor, within ten (10) business days after the commencement of the proceeding. A guarantor, if named as debtor of a corporate guarantee, must make such a notification as required under the terms of the guarantee.

APPENDIX A

WELL CONSTRUCTION REQUIREMENTS

See diagram.
The USA Pearl Broadhurst Unit 20 enhanced oil recovery injection well is drilled to a depth of 5,563' near the bottom of the Douglas Creek Member of the Green River Formation.

FORMATION DATA:

* Base of USDWs:
  Though Publication 92 shows the base of USDWs at or near the surface, a commingled water sample from a well approximately 7,536' feet away, taken from 4,500 to 5,500 feet within the Green River Formation, shows the lowermost depth is 5,500'.

* Confining Zones:
  GR - Evacuation Creek between 2,853' - 4,410'.
  GR - Douglas Creek between 5,458' - 5,541'.

* Permitted Injection Zones:
  Green River between 4,410' - 5,458'.

WELL CONSTRUCTION:

Surface Casing (8-5/8", 24# K-55) is set to a depth of 492' in a 12-1/4" hole, circulated to the surface using 365 sacks of Class H cement.

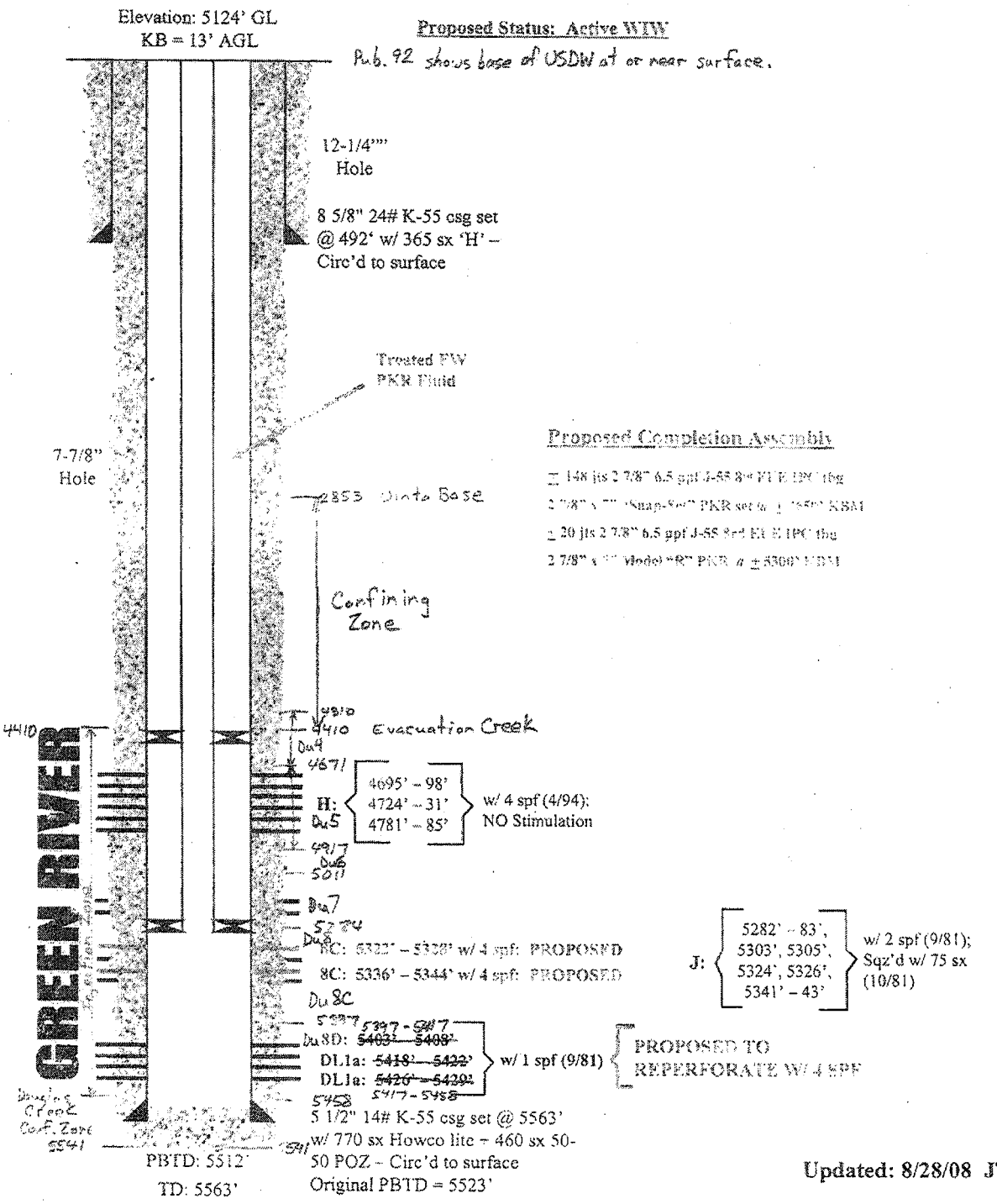
Production Casing (5-1/2", 14# K-55) is set to a depth of 5,563' in a 7-7/8" hole using 770 sacks of Howco Lite plus 460 sacks of 50-50 POZ circulated to the surface. The TOC is the surface.

Perforations: The schematic diagram shows the proposed injection perforation areas into the Green River Formation.

The packer will be set no higher than 100 feet above the top perforation.

CITATION OIL & GAS CORP.
PEARL BROADHURST UNIT #20 WIW
1980' FNL, 1978' FWL, (SE NW) Sec 9-T7S-R23E
UINTAH CO., UTAH

API: 43-047-30941



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APPENDIX B

LOGGING AND TESTING REQUIREMENTS

Logs.
Logs will be conducted according to current UIC guidance. It is the responsibility of the Permittee to obtain and use guidance prior to conducting any well logging required as a condition of this permit.

The CBL and RATS shown below are for the Injection Well.

If a temperature log is required, conduct the first temperature log within one year after authorization to inject. (See log table below.) Conduct temperature log frequency at least once every five years after the last successful demonstration of Part II MIT.

WELL NAME: USA Pearl Broadhurst 20

TYPE OF LOG	DATE DUE
TEMP	If CBL and RATS are unsuccessful, then a Temperature log is required prior to authorization to inject to establish baseline. See # paragraph above for specifics.
CBL/VDL/GAMMA RAY	If CBL does not show Part II MI, RATS is req'd prior to authorization to inject (unless a limited authorization to inject is obtained in order to produce a valid test) and at least once every 5 years after the last successful demonstration of Part II MI
Porosity	Prior to receiving authorization to inject
RATS	If CBL does not show Part II MI, RATS is req'd prior to authorization to inject (unless a limited authorization to inject is obtained in order to produce a valid test) and at least once every 5 years after the last successful demonstration of Part II MI

Tests.
Tests will be conducted according to current UIC guidance. It is the responsibility of the Permittee to obtain and use guidance prior to conducting any well test required as a condition of this permit.

The Cement Records shown below are for the following AoR Wells:
Broadhurst 19 (producer), Broadhurst 6 (producer), 1 Pan American Unit (producer), and USA Broadhurst 3 (injector).

WELL NAME: USA Pearl Broadhurst 20

TYPE OF TEST	DATE DUE
Standard Annulus Pressure	Prior to authorization to inject and at least once every five (5) years after the last successful demonstration of Part I Mechanical Integrity.
Pore Pressure	Prior to receiving authorization to inject
Step Rate Test	Prior to receiving authorization to inject. The SRT shall be performed following current EPA guidance.
Cement Records	Prior to receiving authorization to inject. (Or produce a CBL. If inadequate cement then one successful RATS.)
Injection Zone Water Sample	Prior to receiving authorization to inject, a representative sample (stabilized specific conductivity from three successive swab runs) from the injection zone will be analyzed for TDS, pH, Specific Gravity and Specific Conductivity

APPENDIX C

OPERATING REQUIREMENTS

MAXIMUM ALLOWABLE INJECTION PRESSURE:

Maximum Allowable Injection Pressure (MAIP) as measured at the surface shall not exceed the pressure(s) listed below.

	MAXIMUM ALLOWED INJECTION PRESSURE (psi)
WELL NAME	ZONE 1 (Upper)
USA Pearl Broadhurst 20	1,080

INJECTION INTERVAL(S):

Injection is permitted only within the approved injection interval listed below. Injection perforations may be altered provided they remain within the approved injection interval and the Permittee provides notice to the Director in accordance with Part II, Section A, Paragraph 6. Specific injection perforations can be found in Appendix A.

WELL NAME: USA Pearl Broadhurst 20

	APPROVED INJECTION INTERVAL (KB, ft)		FRACTURE GRADIENT
FORMATION NAME	TOP	BOTTOM	(psi/ft)
Du4 (Parachute Creek)	4,410.00	4,671.00	0.620
Du5 (Garden Gulch)	4,671.00	4,917.00	0.690
Du6	4,917.00	5,011.00	0.620
Du7	5,011.00	5,224.00	0.630
Du8	5,224.00	5,321.00	0.810
Du8C	5,321.00	5,397.00	0.810
Du8D	5,397.00	5,417.00	0.810
DL1A	5,417.00	5,458.00	0.810

ANNULUS PRESSURE:

The annulus pressure shall be maintained at zero (0) psi as measured at the wellhead. If this pressure cannot be maintained, the Permittee shall follow the procedures listed under Part II, Section C. 6. of this permit.

MAXIMUM INJECTION VOLUME:

There is no limitation on the number of barrels per day (bbls/day) of water that shall be injected into this well, provided further that in no case shall injection pressure exceed that limit shown in Appendix C.

APPENDIX D

MONITORING AND REPORTING PARAMETERS

This is a listing of the parameters required to be observed, recorded, and reported. Refer to the permit Part II, Section D, for detailed requirements for observing, recording, and reporting these parameters.

OBSERVE MONTHLY AND RECORD AT LEAST ONCE EVERY THIRTY DAYS	
OBSERVE AND RECORD	Injection pressure (psig)
	Annulus pressure(s) (psig)
	Injection rate (bbl/day)
	Fluid volume injected since the well began injecting (bbls)

ANNUALLY	
ANALYZE	Injected fluid total dissolved solids (mg/l)
	Injected fluid specific gravity
	Injected fluid specific conductivity
	Injected fluid pH

ANNUALLY	
REPORT	Each month's maximum and averaged injection pressures (psig)
	Each month's maximum and minimum annulus pressure(s) (psig)
	Each month's injected volume (bbl)
	Fluid volume injected since the well began injecting (bbl)
	Written results of annual injected fluid analysis
	Sources of all fluids injected during the year

In addition to these items, additional Logging and Testing results may be required periodically. For a list of those items and their due dates, please refer to APPENDIX B - LOGGING AND TESTING REQUIREMENTS.

APPENDIX E

PLUGGING AND ABANDONMENT REQUIREMENTS

See diagram.

The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluid into or between USDWs and in accordance with other applicable Federal, State, or local law or regulation. Tubing, packers, and any downhole apparatus shall be removed. Class A, C, G, and H cements with additives such as accelerators and retarders that control or enhance cement properties, may be used for plugs. However, volume extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.2 lb/gal shall be placed between all plugs. Within 60 days after plugging, the owner or operator shall submit Plugging Record (EPA Form 7520-13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. At a minimum, the following plugs are required:

PLUG NO. 1: Seal Injection Zone Bottom: Set a Cast Iron Cement Retainer (CICR) or a Cast Iron Bridge Plug (CIBP) at a depth of 5,512, which is 50' below the injection zone, and at PBTD. (This helps protect any possible USDWs lying below the injection zone.) Set a cement plug of 200'.

PLUG NO. 2: Seal Injection Zone Top: Set a CICR or a CIBP at a depth of 4,460' and set a 200' cement plug on top, which allows the top of the plug to be more than 50' above the injection zone.

PLUG NO. 3: Seal Base of Uinta: Set a CICR or a CIBP at a depth of 2,903' and set a 200' cement plug on top. This protects any USDWs within the Uinta Formation.

PLUG NO. 4: Seal Surface: Place a cement plug across the 8-5/8" casing from 100' to the surface.

CITATION OIL & GAS CORP.
PEARL BROADHURST UNIT #20 WIW
1980' FNL, 1978' FWL, (SE NW) Sec 9-T7S-R23E
UINTAH CO., UTAH

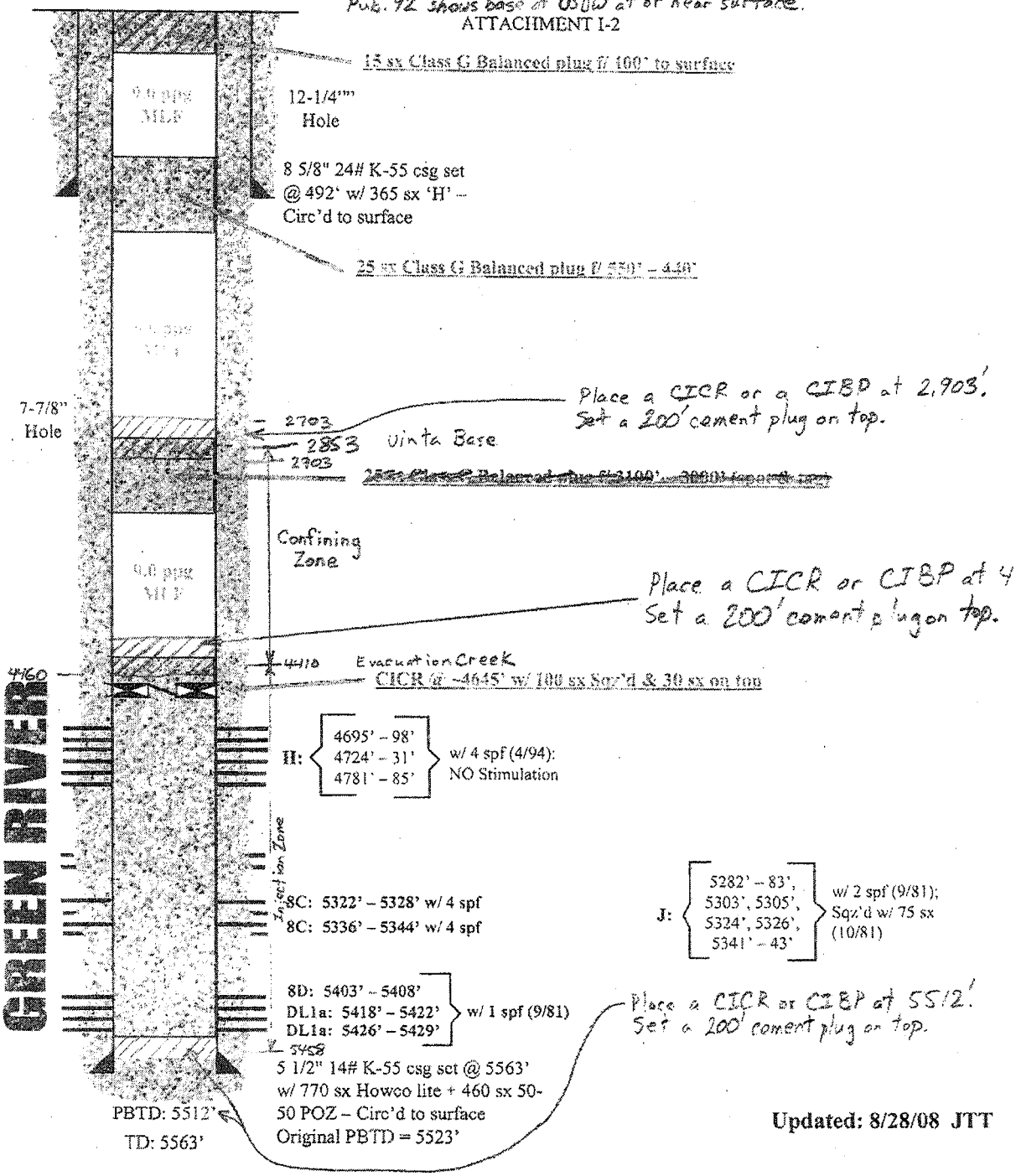
API: 43-047-30941

P & A Diagram

~~Proposed Status: P & A'd~~

Pub. 92 shows base of USDW at or near surface.

ATTACHMENT I-2



Updated: 8/28/08 JTT

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APPENDIX F

CORRECTIVE ACTION REQUIREMENTS

No corrective action is deemed necessary for this project.

STATEMENT OF BASIS

CITATION OIL & GAS CORPORATION
USA PEARL BROADHURST 20
UINTAH COUNTY, UT

EPA PERMIT NO. UT21197-08242

CONTACT: Bruce Suchomel
U. S. Environmental Protection Agency
Ground Water Program, 8P-W-GW
1595 Wynkoop Street
Denver, Colorado 80202-1129
Telephone: 1-800-227-8917 ext. 312-6001

This STATEMENT OF BASIS gives the derivation of site-specific UIC Permit conditions and reasons for them. Referenced sections and conditions correspond to sections and conditions in the Permit.

EPA UIC permits regulate the injection of fluids into underground injection wells so that the injection does not endanger underground sources of drinking water. EPA UIC permit conditions are based upon the authorities set forth in regulatory provisions at 40 CFR Parts 144 and 146, and address potential impacts to underground sources of drinking water. Under 40 CFR 144.35 Issuance of this permit does not convey any property rights of any sort or any exclusive privilege, nor authorize injury to persons or property of invasion of other private rights, or any infringement of other Federal, State or local laws or regulations. Under 40 CFR 144 Subpart D, certain conditions apply to all UIC Permits and may be incorporated either expressly or by reference. General Permit conditions for which the content is mandatory and not subject to site-specific differences (40 CFR Parts 144, 146 and 147) are not discussed in this document.

PART I. General Information and Description of Facility

Citation Oil & Gas Corporation
14077 Cutten Rd
Houston, TX 77069

on

September 17, 2008

submitted an application for an Underground Injection Control (UIC) Program Permit or Permit Modification for the following injection well or wells:

USA Pearl Broadhurst 20
1980 FNL 1978 FWL, SENW S9, T7S, R23E
Uintah County, UT

Regulations specific to Uintah-Ouray Indian Reservation injection wells are found at 40 CFR 147 Subpart TT.

The application, including the required information and data necessary to issue or modify a UIC Permit in accordance with 40 CFR Parts 144, 146 and 147, was reviewed and determined by EPA to be complete.

The Permit will expire upon delegation of primary enforcement responsibility (primacy) for applicable portions of the UIC Program to the Ute Indian Tribe or the State of Utah unless the delegated agency has the authority and chooses to adopt and enforce this Permit as a Tribal or State Permit.

TABLE 1.1 shows the status of the well or wells as "New", "Existing", or "Conversion" and for Existing shows the original date of injection operation. Well authorization "by rule" under 40 CFR Part 144 Subpart C expires automatically on the Effective Date of an issued UIC Permit.

TABLE 1.1

WELL STATUS / DATE OF OPERATION

NEW WELLS

Well Name	Well Status	Date of Operation
USA Pearl Broadhurst 20	New	N/A

PART II. Permit Considerations (40 CFR 146.24)

Hydrogeologic Setting

GREEN RIVER FORMATION

The Green River Formation is mostly lacustrine shale that contains some limestone, siltstone, and sandstone. The formation includes beds of oil shale and of carbonate evaporite. The Green River interfingers with both the overlying Uinta and the underlying Wasatch Formations, as well as laterally with other formations near the edges of the basin.

WASATCH FORMATION

In most of the basin, the Wasatch Formation is mainly lacustrine shale, sandstone, and conglomerate. It interfingers with the overlying and underlying formations and laterally with the North Horn, Currant Creek, and Green River Formations. The Wasatch outcrops only in the far eastern end of the northern Uinta Basin and in the canyons of deeply incised streams in the southern Uinta Basin.

The Wasatch Formation is very low to low permeability, except where fractured. In the Greater Altamont-Bluebell oil field, the Wasatch sands reportedly have only 4 to 5 percent porosity, but are permeable because of fracturing. Much of the water produced with petroleum is moderately saline to very saline; generally, however, the water is less mineralized than is water from the Green River Formation.

The Green River Formation is very low to low permeability except where fractured. Sandstones near oil-shale beds have values of transmissivity from 0.9 to 2.4 sq ft/day. In most of the basin the formation yields only saline or briny water.

Geologic Setting (TABLE 2.1)

The proposed injection well produced from and will inject into sandstone sequences found in the Green River Formation. In an Exxon study dated December, 1986, thirty-six sandstone sequences were identified in the Green River Formation in the productive depths at the Walker Hollow Unit. Nomenclature from this study has been adopted by Citation Oil and Gas. The Green River sandstone sequences were deposited in a lacustrine environment. The sandstone is predominantly very fine to fine grained and is characterized as forming coarsening upward sequences. Low energy shale deposits mark the bottom portion of the Green River sequences. These low energy intervals provide an impermeable barrier to flow between sandstone intervals. Shale barriers are also found interbedded with porous sandstone in the sandstone sequences. Likewise, these shale intervals also provide barriers to flow. Core evaluation indicates that reservoir quality porosity in the sandstone ranges from 10% to 20% and averages approximately 15%. Likewise the permeability ranges from 1md to 750md and averages approximately 25md. Overall, sequence thicknesses are very consistent across the Walker Hollow Field.

The injection is targeted for the Parachute Creek through the base of the Garden Gulch Member (Du 4 - DL1A) of the Green River Formation. Maximum neutron/density porosity ranges from 15% to 20% in these sandstone sequences.

TABLE 2.1
GEOLOGIC SETTING
USA Pearl Broadhurst 20

Formation Name	Top (ft)	Base (ft)	TDS (mg/l)	Lithology
Uinta	0	2,853		sandstone,siltstone, and shale
Green River (Evacuation Creek)	2,853	4,410		Shale
Du4 (Parachute Creek)	4,410	4,671	2,579 - 3,592	sandstone,siltstone, and shale
Du5 (Garden Gulch)	4,671	4,917	2,579 - 3,592	sandstone,siltstone, and shale
Du6	4,917	5,011	2,579 - 3,592	sandstone,siltstone, and shale
Du7	5,011	5,224	2,579 - 3,592	sandstone,siltstone, and shale
Du8	5,224	5,321	2,579 - 3,592	sandstone,siltstone, and shale
Du8C	5,321	5,397	2,579 - 3,592	sandstone,siltstone, and shale
Du8D	5,397	5,417	2,579 - 3,592	sandstone,siltstone, and shale
DL1A	5,417	5,458	2,579 - 3,592	sandstone,siltstone, and shale
K (Douglas Creek)	5,458	5,541	2,579 - 3,592	Shale

Proposed Injection Zone(s) (TABLE 2.2)

An injection zone is a geological formation, group of formations, or part of a formation that receives fluids through a well. The proposed injection zones are listed in TABLE 2.2.

Injection will occur into an injection zone that is separated from USDWs by a confining zone which is free of known open faults or fractures within the Area of Review.

The EPA approved interval for waterflood in the USA Pearl Broadhurst (USA PB) 20 is located within several sandstone sequences within the Green River Formation between the depths of 4,410 to 5,458 feet. This injection zone is within a previously exempted aquifer. A comingled water sample taken between the depths of 4,500 - 5,500 feet from Battery #2, a well located approximately 7,536 feet from USA PB 20, shows a TDS of 3,832 mg/l.

TABLE 2.2
INJECTION ZONES
USA Pearl Broadhurst 20

Formation Name	Top (ft)	Base (ft)	TDS (mg/l)	Fracture Gradient (psi/ft)	Porosity	Exempted?*
Du4 (Parachute Creek)	4,410	4,671	2,579 - 3,592	0.620	17.50%	E
Du5 (Garden Gulch)	4,671	4,917	2,579 - 3,592	0.690	17.50%	E
Du6	4,917	5,011	2,579 - 3,592	0.620	17.50%	E
Du7	5,011	5,224	2,579 - 3,592	0.630	17.50%	E
Du8	5,224	5,321	2,579 - 3,592	0.810	17.50%	E
Du8C	5,321	5,397	2,579 - 3,592	0.810	17.50%	E
Du8D	5,397	5,417	2,579 - 3,592	0.810	17.50%	E
DL1A	5,417	5,458	2,579 - 3,592	0.810	17.50%	E

* **C - Currently Exempted**
E - Previously Exempted
P - Proposed Exemption
N/A - Not Applicable

Confining Zone(s) (TABLE 2.3)

A confining zone is a geological formation, part of a formation, or a group of formations that limits fluid movement above the injection zone. The confining zone or zones are listed in TABLE 2.3.

The Evaluation Creek Member of the Green River Formation, from 2,853 - 4,410 feet, is the upper confining zone. The Douglas Creek Member of the Green River Formation, from 5,458 - 5,541 feet, is the lower confining zone.

TABLE 2.3
CONFINING ZONES
USA Pearl Broadhurst 20

Formation Name	Formation Lithology	Top (ft)	Base (ft)
Green River (Evacuation Creek)	Shale	2,853	4,410
K (Douglas Creek)	Shale	5,458	5,541

Underground Sources of Drinking Water (USDWs) (TABLE 2.4)

Aquifers or the portions thereof which contain less than 10,000 mg/l total dissolved solids (TDS) and are being or could in the future be used as a source of drinking water are considered to be USDWs. The USDWs in the area of this facility are identified in TABLE 2.4.

The USDW shown in Table 2.4 is within a previously exempted aquifer. See attachment to permit:

Subpart TT - Utah
40 CFR Section 147.2251(c)(2)
"Re: Aquifer Exemption Process," June 16, 1982

TABLE 2.4
UNDERGROUND SOURCES OF DRINKING WATER (USDW)
USA Pearl Broadhurst 20

Formation Name	Formation Lithology	Top (ft)	Base (ft)	TDS (mg/l)
Green River	Sandstone, siltstone, and shale.	4,310	5,458	< 10,000

PART III. Well Construction (40 CFR 146.22)

TABLE 3.1
WELL CONSTRUCTION REQUIREMENTS
USA Pearl Broadhurst 20

Casing Type	Hole Size (in)	Casing Size (in)	Cased Interval (ft)	Cemented Interval (ft)
Surface	12.25	8.63	0 - 492	0 - 492
Longstring	7.88	5.50	0 - 5,563	0 - 5,563

The approved well completion plan will be incorporated into the Permit as APPENDIX A and will be binding on the Permittee. Modification of the approved plan is allowed under 40 CFR 144.52(a)(1) provided written approval is obtained from the Director prior to actual modification.

Casing and Cementing (TABLE 3.1)

The construction plan for the well or wells proposed for conversion to an injection well was evaluated and determined to be in conformance with standard practices and guidelines that ensure well injection does not result in the movement of fluids into USDWs. Well construction and conversion details for the well or wells are shown in TABLE 3.1.

Tubing and Packer

Injection tubing is required to be installed from a packer up to the surface inside the well casing. The packer will be set above the uppermost perforation. The tubing and packer are designed to prevent injection fluid from coming into contact with the outermost casing.

Tubing-Casing Annulus (TCA)

The TCA allows the casing, tubing and packer to be pressure-tested periodically for mechanical integrity, and will allow for detection of leaks. The TCA will be filled with fresh water treated with a corrosion inhibitor or other fluid approved by the Director.

Monitoring Devices

The permittee will be required to install and maintain wellhead equipment that allows for monitoring pressures and providing access for sampling the injected fluid. Required equipment may include but is not limited to: 1) shut-off valves located at the wellhead on the injection tubing and on the TCA; 2) a flow meter that measures the cumulative volume of injected fluid; 3) fittings or pressure gauges attached to the injection tubing and the TCA for monitoring the injection and TCA pressure; and 4) a tap on the injection line, isolated by shut-off valves, for sampling the injected fluid.

All sampling and measurement taken for monitoring must be representative of the monitored activity.

Though Table 4.1 shows "unknown" under Corrective Action Plan Required, the actual determination is truly "unknown" until demonstration of adequate 80% Cement Bond Index or greater from a current Cement Bond Log, or a successful Radioactive Tracer Survey.

PART IV. Area of Review, Corrective Action Plan (40 CFR 144.55)

TABLE 4.1
AOR AND CORRECTIVE ACTION

Well Name	Type	Status (Abandoned Y/N)	Total Depth (ft)	TOC Depth (ft)	CAP Required (Y/N)
Pan American Unit 1	Producer	Yes	5,517		Unk
USA Pearl Broadhurst 19	Producer	No	5,587	0	Unk
USA Pearl Broadhurst 3	Injector	Yes	5,902		Unk
USA Pearl Broadhurst 6	Producer	No	5,600	1,505	Unk

TABLE 4.1 lists the wells in the Area of Review ("AOR") and shows the well type, operating status, depth, top of casing cement ("TOC") and whether a Corrective Action Plan ("CAP") is required for the well.

Area Of Review

Applicants for Class I, II (other than "existing" wells) or III injection well Permits are required to identify the location of all known wells within the injection well's Area of Review (AOR) which penetrate the injection zone, or in the case of Class II wells operating over the fracture pressure of the formation, all known wells within the area of review that penetrate formations which may be affected by increased pressure. Under 40 CFR 146.6 the AOR may be a fixed radius of not less than one quarter (1/4) mile or a calculated zone of endangering influence. For Area Permits, a fixed width of not less than one quarter (1/4) mile for the circumscribing area may be used.

Corrective Action Plan

For wells in the AOR which are improperly sealed, completed, or abandoned, the applicant shall develop a Corrective Action Plan (CAP) consisting of the steps or modifications that are necessary to prevent movement of fluid into USDWs.

The CAP will be incorporated into the Permit as APPENDIX F and become binding on the permittee.

TABLE 4.1 lists the wells in the AOR, and shows the well type, operating status, depth, top of casing cement and whether a CAP is required for this well.

No corrective action is needed for this well.
(See Appendix B, Logging and Testing Requirements. Authorization to inject will be granted only after all logging and testing requirements have been met.)

PART V. Well Operation Requirements (40 CFR 146.23)

TABLE 5.1
INJECTION ZONE PRESSURES
USA Pearl Broadhurst 20

Formation Name	Depth Used to Calculate MAIP (ft)	Fracture Gradient (psi/ft)	Initial MAIP (psi)
Du4 (Parachute Creek)	4,388	0.620	790
Du6	4,388	0.620	790
Du5 (Garden Gulch)	4,756	0.690	1,190
Du7	5,169	0.630	980
Du8D	5,276	0.810	1,950
DL1A	5,276	0.810	1,950
Du8	5,276	0.810	1,950
Du8C	5,276	0.810	1,950

Approved Injection Fluid

The approved injection fluid is limited to Class II injection well fluids pursuant to 40 CFR § 144.6(b). For disposal wells injecting water brought to the surface in connection with natural gas storage operations, or conventional oil or natural gas production, the fluid may be commingled and the well used to inject other Class II wastes such as drilling fluids and spent well completion, treatment and stimulation fluid. Injection of non-exempt wastes, including unused fracturing fluids or acids, gas plant cooling tower cleaning wastes, service wastes, and vacuum truck and drum rinsate from trucks and drums transporting or containing non-exempt waste, is prohibited.

Injection Pressure Limitation

Injection pressure, measured at the wellhead, shall not exceed a maximum calculated to assure that the pressure used during injection does not initiate new fractures or propagate existing fractures in the confining zones adjacent to the USDWs.

As stated in Appendix B, a Step Rate Test is required prior to receiving authorization to inject.

Appendix B also states that in the event the Cement Bond Log does not show at least 80% Cement Bond Index, that a Radioactive Tracer Survey (RATS) will be required prior to authorization to inject.

The applicant submitted injection fluid density and injection zone data which was used to calculate a formation fracture pressure and to determine the maximum allowable injection pressure (MAIP), as measured at the surface, for this Permit.

TABLE 5.1 lists the fracture gradient for the injection zone and the approved MAIP, determined according to the following formula:

$$FP = [fg - (0.433 * sg)] * d$$

FP = formation fracture pressure (measured at surface)
fg = fracture gradient (from submitted data or tests)
sg = specific gravity (of injected fluid)
d = depth to top of injection zone (or top perforation)

Injection Volume Limitation

Cumulative injected fluid volume limits are set to assure that injected fluids remain within the boundary of the exempted area. Cumulative injected fluid volume is limited when injection occurs into an aquifer that has been exempted from protection as a USDW.

Mechanical Integrity (40 CFR 146.8)

An injection well has mechanical integrity if:

1. there is no significant leak in the casing, tubing, or packer (Part I); and
2. there is no significant fluid movement into a USDW through vertical channels adjacent to the injection well bore (Part II).

The Permit prohibits injection into a well which lacks mechanical integrity.

The Permit requires that the well demonstrate mechanical integrity prior to injection and periodically thereafter. A demonstration of mechanical integrity includes both internal (Part I) and external (Part II). The methods and frequency for demonstrating Part I and Part II mechanical integrity are dependent upon well-specific conditions as explained below.

Part I (Internal) MI will be demonstrated prior to beginning injection and at least once every five years after successful demonstration of Part I MI. A demonstration of Part II MI is also required prior to resuming injection following any workover operation that affects the casing, tubing, or packer. Part I MI may be demonstrated by a standard tubing-casing annulus pressure test using the maximum permitted injection pressure or 1,000 psi, whichever is less, with ten percent or less pressure change over thirty minutes.

A Cement Bond Log (CBL) was not provided for the injection well. The permittee is required to either run a CBL (showing adequate 80% or more Cement Bond Index) or conduct a Part II (External) MIT demonstration for the USA PB 20 injection well prior to authorization to inject (unless a limited authorization to inject is obtained in order to produce a valid test). If the CBL and RATS are unsuccessful, then a temperature log is required prior to authorization to inject to establish a baseline. Conduct the first temperature log within one year after authorization to

inject. Conduct temperature log frequency at least once every five years after the last successful demonstration of Part II MIT.

PART VI. Monitoring, Recordkeeping and Reporting Requirements

Injection Well Monitoring Program

At least once a year the permittee must analyze a sample of the injected fluid for total dissolved solids (TDS), specific conductivity, pH, and specific gravity. This analysis shall be reported to EPA annually as part of the Annual Report to the Director. Any time a new source of injected fluid is added, a fluid analysis shall be made of the new source.

Instantaneous injection pressure, injection flow rate, cumulative fluid volume and TCA pressures must be observed on a weekly basis. A recording, at least once every thirty (30) days, must be made of the injection pressure, annulus pressure, monthly injection flow rate and cumulative fluid volume. This information is required to be reported annually as part of the Annual Report to the Director.

PART VII. Plugging and Abandonment Requirements (40 CFR 146.10)

Plugging and Abandonment Plan

Prior to abandonment, the well shall be plugged in a manner that isolates the injection zone and prevents movement of fluid into or between USDWs, and in accordance with any applicable Federal, State or local law or regulation. Tubing, packer and other downhole apparatus shall be removed. Cement with additives such as accelerators and retarders that control or enhance cement properties may be used for plugs; however, volume-extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.2 lb/gal shall be placed between all plugs. A minimum 50 ft surface plug shall be set inside and outside of the surface casing to seal pathways for fluid migration into the subsurface. Within sixty (60) days after plugging the owner or operator shall submit Plugging Record (EPA Form 7520 13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. The plugging and abandonment plan is described in Appendix E of the Permit.

PART VIII. Financial Responsibility (40 CFR 144.52)

Demonstration of Financial Responsibility

The permittee is required to maintain financial responsibility and resources to close, plug, and abandon the underground injection operation in a manner prescribed by the Director. The permittee shall show evidence of such financial responsibility to the Director by the submission of a surety bond, or other adequate assurance such as financial statements or other materials acceptable to the Director. The Regional Administrator may, on a periodic basis, require the holder of a lifetime permit to submit a revised estimate of the resources needed to plug and abandon the well to reflect inflation of such costs, and a revised demonstration of financial responsibility if necessary. Initially, the operator has chosen to demonstrate financial responsibility with:

Surety Bond, received March 27, 2006

Evidence of continuing financial responsibility is required to be submitted to the Director annually.

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-066312

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Walker Hollow Unit

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER

8. WELL NAME and NUMBER: Walker Hollow Unit 43

2. NAME OF OPERATOR: Citation Oil & Gas Corp.

9. API NUMBER: 4304730687

3. ADDRESS OF OPERATOR: P O Box 690688 CITY Houston STATE TX ZIP 77269

PHONE NUMBER: (281) 891-1565

10. FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2975 FSL & 1960 FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 1 7S 23E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Flowline
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation Oil & Gas requests permission to lay a 2" Fiberglass flowline from the tip of an existing flowline to the WHU #43 well as shown in the attached topos.

NAME (PLEASE PRINT) Bridget Lisenbe TITLE Permitting Analyst

SIGNATURE Bridget Lisenbe DATE 7/27/2010

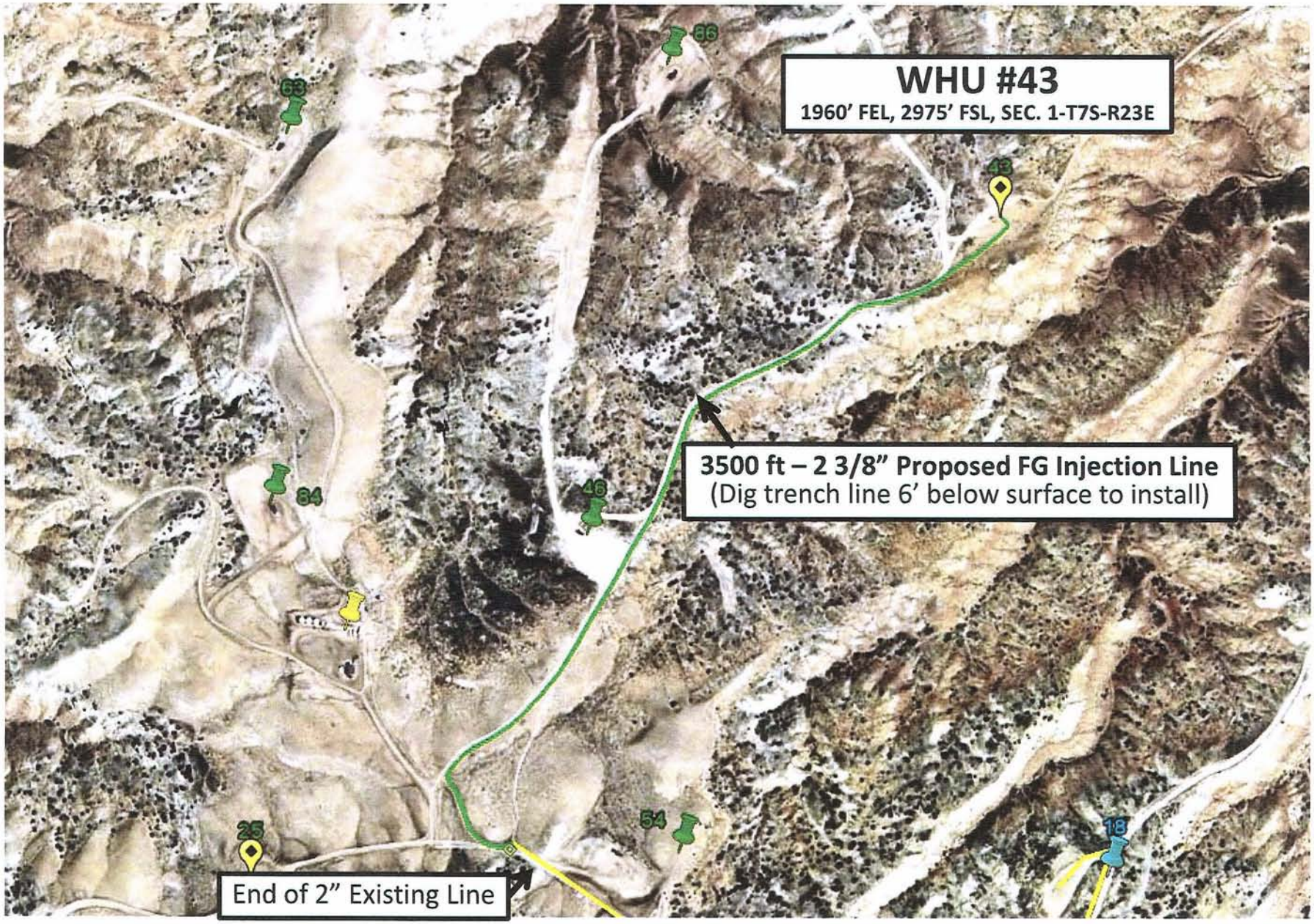
(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only
(See Instructions on Reverse Side)

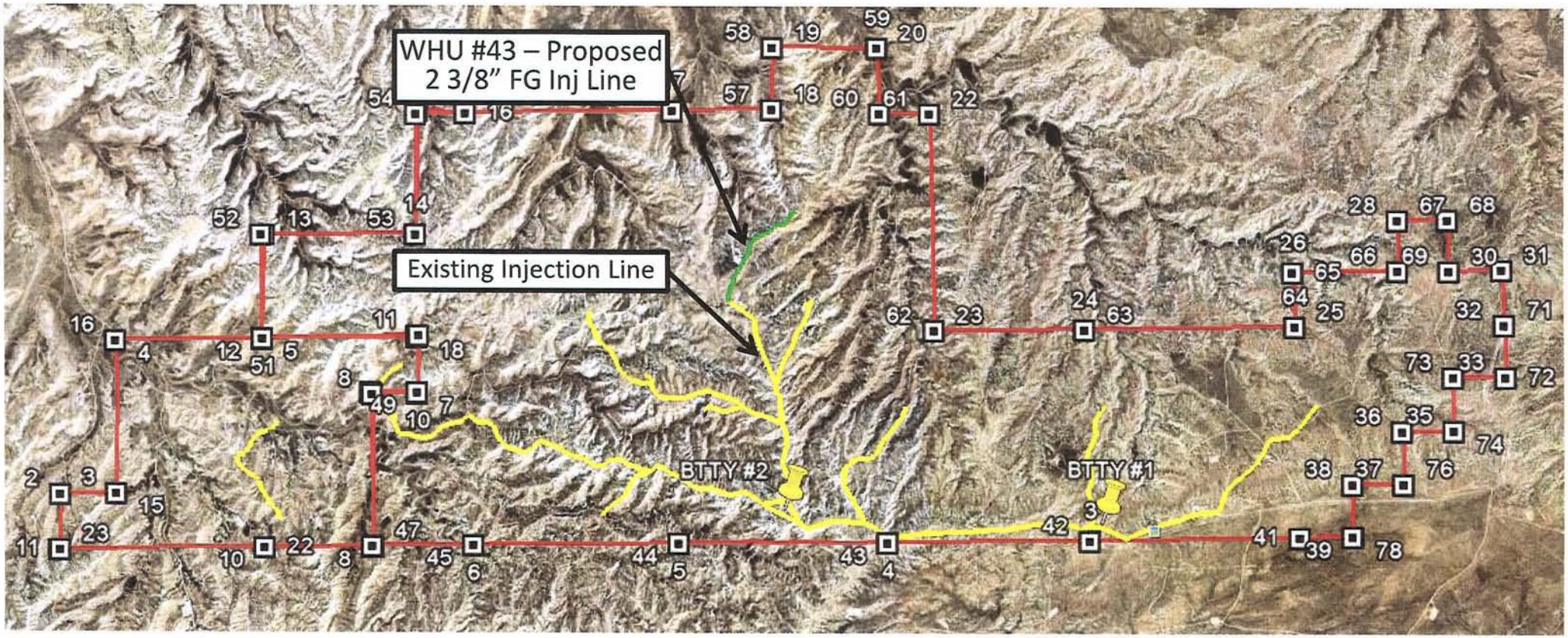
RECEIVED
AUG 02 2010
DIV. OF OIL, GAS & MINING

(5/2000)

WHU #43 – 3500 ft FG Injection Line
(Sec 1, T7S, R23E)



Walker Hollow Unit – Existing Inj Lines



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
http://www.epa.gov/region08

JUL 27 2011

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Sharon Ward
Citation Oil and Gas Company
P.O. Box 690688
Denver, Colorado 80202

RE: Underground Injection Control (UIC)
Authority to Commence Injection
EPA UIC Permit UT21196-08241
Well: Walker Hollow Unit (WHU) 43
NE/SW Sec. 1-T7S-R23E
Uintah County, Utah
API # 43-047-30687

Dear Ms. Ward:

Citation Oil and Gas Company (Citation) has satisfactorily completed the Environmental Protection Agency's (EPA) "Prior to Commencing Injection" requirements for Final Permit UT21196-08241, effective May 13, 2010. The well rework record, sundry notice, Part I (Internal) Mechanical Integrity Test (MIT), Step Rate Test, porosity and pore pressure tests, injection zone water sample data and required cement records were reviewed and approved by the EPA on July 13, 2011.

As of the date of this letter, Citation is authorized to commence injection into WHU 43 at a maximum authorized injection pressure (MAIP) of 1,665 psig. Until such time as the permittee demonstrates through a Step Rate Test (SRT) that the Fracture Gradient (FG) is other than 0.810 psi/ft, WHU 43 shall be operated at a MAIP no greater than 1,665 psig.

As of this approval, responsibility for permit compliance and enforcement is transferred to the Region 8 UIC Technical Enforcement Program office. Therefore, please direct all monitoring and compliance correspondence, referencing your well name and UIC Permit number on all correspondence regarding this well, to:

Ms. Sarah Roberts
Technical Enforcement Program – UIC
U.S. EPA Region 8: Mail Code 8ENF-UFO
1595 Wynkoop Street
Denver, Colorado 80202-1129

Or, you may reach Ms. Roberts at (303) 312-7056, or (800) 227-8927, extension 312-7056.

Please remember that it is your responsibility to be aware of and to comply with all conditions of injection well Permit UT21196-08241.

If you have questions regarding the above action, please call Bruce Suchomel at (303) 312-6001 or (800) 227-8917, extension 312-6001.

Sincerely,

Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

cc:

Uintah & Ouray Business Committee
Irene Cuch, Chairman
Ronald Wopsock, Vice-Chairman
Frances Poowegup, Councilwoman
Phillip Chimburas, Councilman
Stewart Pike, Councilman
Richard Jenks, Jr., Councilman

Daniel Picard
BIA - Uintah & Ouray Indian Agency

Mike Natchees
Environmental Coordinator
Ute Indian Tribe

Manual Myore
Director of Energy & Minerals Dept.
Ute Indian Tribe

Brad Hill
Acting Associate Director
Utah Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office
BLM - Vernal Office

Robin Hansen
Fluid Minerals Engineering Office
BLM - Vernal Office

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-066312
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER Injection

7. UNIT or CA AGREEMENT NAME: Walker Hollow Unit

b. TYPE OF WORK: NEW WELL ☐ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER Convert

8. WELL NAME and NUMBER: Walker Hollow Unit 43

2. NAME OF OPERATOR: Citation Oil and Gas Corp.

9. API NUMBER: 4304730687

3. ADDRESS OF OPERATOR: P.O. Box 690688 CITY Houston STATE Tx ZIP 77269-0688 PHONE NUMBER: (281) 891-1555

10 FIELD AND POOL, OR WILDCAT: Walker Hollow Green River

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 2975 FSL & 1960 FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SW N 1 7S 23E

12. COUNTY: Uintah 13. STATE: UTAH

14. DATE SPUDDED: Convert. to Inj. 5/10/2011 15. DATE T.D. REACHED: 6/12/2011 16. DATE COMPLETED: 8/9/2011 ABANDONED ☐ READY TO PRODUCE ☐ 17. ELEVATIONS (DF, RKB, RT, GL): KB 12 GL 5389

18. TOTAL DEPTH: MD 5,655 TVD 19. PLUG BACK T.D.: MD 5,502 TVD 20. IF MULTIPLE COMPLETIONS, HOW MANY? * 21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4	9-5/8 K-55	36	Surf	383		H 350		Surface	
8-3/4	7 K-55	20/23/29	Surf	5,635		G 665		Surface	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8	4,351	4,351	Loc-Set 2-7/8					

26. PRODUCING INTERVALS Injecting Intervals

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Green River	4,449	5,440		
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
4449-5440	4000 gals 15% HCL Acid

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☑ OTHER: WBD

30. WELL STATUS: Injecting

RECEIVED
SEP 06 2011
DIV. OF OIL, GAS & MINING

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION **INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)

35. ADDITIONAL REMARKS (Include plugging procedure)

Well was converted to an Injector. Started Injecting on 8/10/2011. 24hr. Inj. Rate- 478 BWPD @ 20psi

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Kimberly Moorhead TITLE Compleetion Analyst

SIGNATURE Kim Moorhead DATE 8/22/2011

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

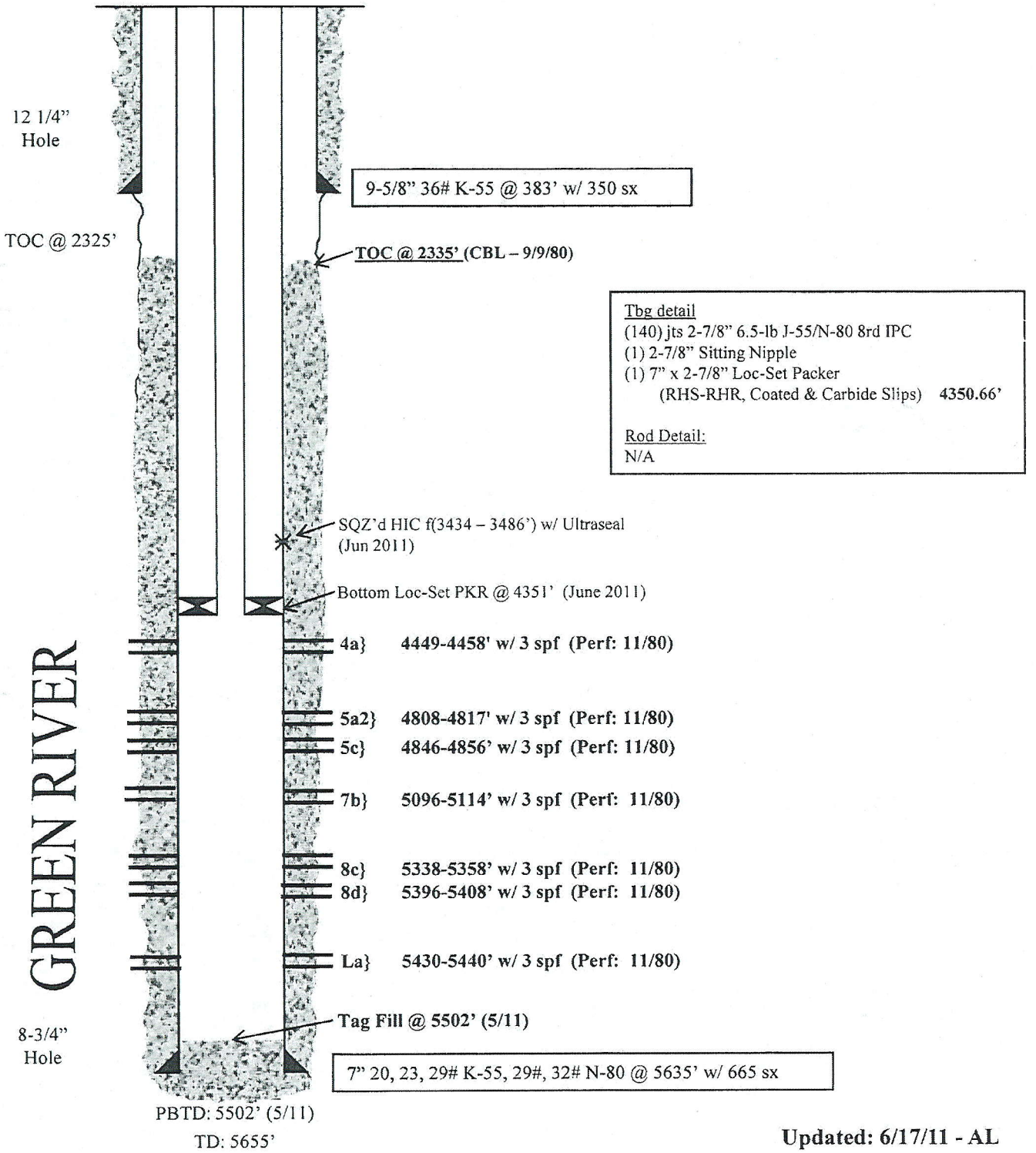
Fax: 801-359-3940

(5/2000)

CITATION OIL & GAS CORP.
WALKER HOLLOW UNIT #43
1960' FEL, 2975' FSL, SEC. 1-T7S-R23E
UINTAH CO., UTAH

KB: 12 FT
GL: 5389 FT

Current
(Updated 6/17/11)



Updated: 6/17/11 - AL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
SL-066312

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:
WALKER HOLLOW (GR)

1. TYPE OF WELL
Water Injection Well

8. WELL NAME and NUMBER:
WALKER HOLLOW U 43

2. NAME OF OPERATOR:
CITATION OIL & GAS CORP

9. API NUMBER:
43047306870000

3. ADDRESS OF OPERATOR:
14077 Cutten Rd , Houston, TX, 77069

PHONE NUMBER:
281 891-1550 Ext

9. FIELD and POOL or WILDCAT:
WALKER HOLLOW

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
2975 FSL 1960 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SWNE Section: 01 Township: 07.0S Range: 23.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 6/15/2016	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: MIT

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This well was tested for mechanical integrity on 6/15/2016, a copy of the EPA MIT form is attached. Well was shut in at 10:45am on 6/15/2016 due to failed test.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
June 20, 2016

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sara Guthrie	281 891-1564	Regulatory Compliance Coordinator
SIGNATURE		**DATE**
N/A		6/20/2016

RECEIVED: Jun. 20, 2016

Mechanical Integrity Test
Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 6/15/16
Test conducted by: Jeff Oaks COGC / Les Taylor Big Red
Others present: Richard Powell Utah DOGM

Well Name: Walker Hollow Unit #43 Type: ER (SWD) Status: (AC) TA UC
Field: Walker Hollow
Location: SW/NE Sec: 1 T 7 N (S) R 23 (E) W County: Uintah State: UT
Operator: Citation Oil & Gas
Last MIT: 6/5/11 Maximum Allowable Pressure: 1665 PSIG

Is this a regularly scheduled test? [X] Yes [ ] No
Initial test for permit? [ ] Yes [X] No
Test after well rework? [ ] Yes [X] No
Well injecting during test? [X] Yes [ ] No If Yes, rate: 205 bpd

Pre-test casing/tubing annulus pressure: 0/0 psig

MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING	*PRESSURE*		
Initial Pressure	1190 psig	1200 psig	1200 psig
End of test pressure	1200 psig	1200 psig	1200 psig
CASING / TUBING	*ANNULUS*	*PRESSURE*	
0 minutes	1500 psig	1500 psig	1500 psig
5 minutes	650 psig	650 psig	600 psig
10 minutes	0 psig	0 psig	0 psig
15 minutes	psig	psig	psig
20 minutes	psig	psig	psig
25 minutes	psig	psig	psig
30 minutes	psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	[ ] Pass [X] Fail	[ ] Pass [X] Fail	[ ] Pass [X] Fail

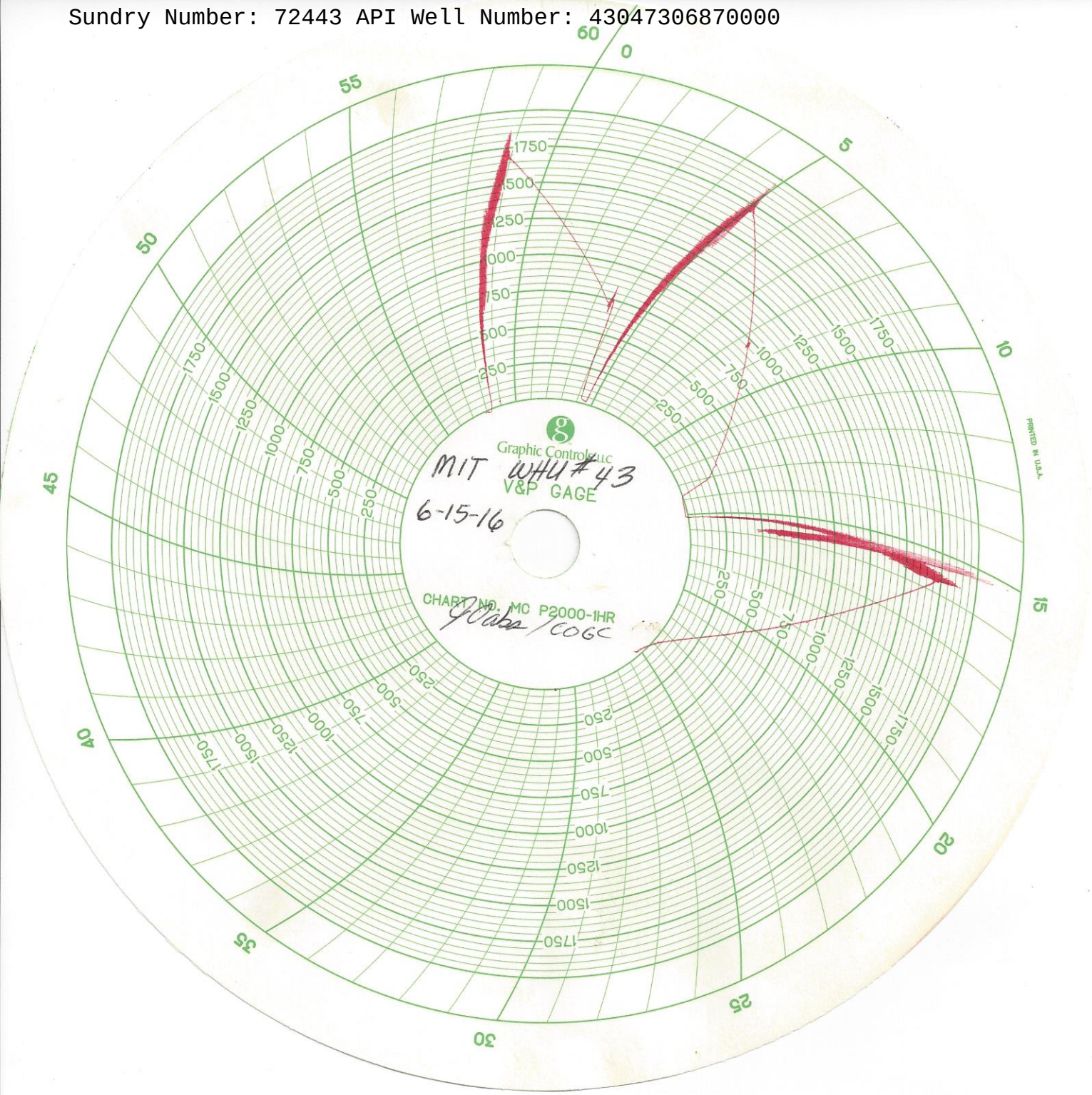
Does the annulus pressure build back up after the test ? [ ] Yes [ ] No

MECHANICAL INTEGRITY PRESSURE TEST

8 bbls to fill. Shut well in at 10:45AM

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Jeff Oaks
Signature of Witness:


Graphic Controls LLC
MIT WHU #43
V&P GAGE
6-15-16
CHART NO. MC P2000-1HR
Ouray / COGC
PRINTED IN U.S.A.

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

5.LEASE DESIGNATION AND SERIAL NUMBER: SL-066312

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: WALKER HOLLOW (GR)

1. TYPE OF WELL Water Injection Well

8. WELL NAME and NUMBER: WALKER HOLLOW U 43

2. NAME OF OPERATOR: CITATION OIL & GAS CORP

9. API NUMBER: 43047306870000

3. ADDRESS OF OPERATOR: 14077 Cutten Rd , Houston, TX, 77069

PHONE NUMBER: 281 891-1550 Ext

9. FIELD and POOL or WILDCAT: WALKER HOLLOW

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2975 FSL 1960 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 01 Township: 07.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 6/24/2016	☐ ACIDIZE	☐ ALTER CASING	✓ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Citation conducted an MIT on the WHU #43 on June 15th, and it did not pass. To bring the well back into compliance, Citation will pump a squeeze procedure with a polymer product known as “sealmaker”, or 300 psig. The general procedure will be as follows: MIRU rig and NUBOPS Release packer and POOH and LD tubing Inspect and repair packer as needed PU workstring and bailer, RIH, tag, and cleanout any fill POOH bailer, PU RBP and packer, RIH and isolate casing leak Hang unset packer below casing leak, circulate “Sealmaker” to depth, set packer and apply squeeze pressure Maintain pressure overnight If pressure holds in morning, circulate out residue, POOH packer and LD workstring RIH injection tubing, circulate packer fluid and set packer at previous depth of 4,351’ MD as per attached WBD. NDBOPS, RDMO rig Perform MIT and resume injection per state permit when allowed

Accepted by the Utah Division of Oil, Gas and Mining

Date: June 28, 2016

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sara Guthrie	281 891-1564	Regulatory Compliance Coordinator
SIGNATURE N/A		**DATE** 6/28/2016

RECEIVED: Jun. 28, 2016

CITATION OIL & GAS CORP.
WALKER HOLLOW UNIT #43
1960' FEL, 2975' FSL, SEC. 1-T7S-R23E
UINTAH CO., UTAH

Lufkin: M456

KB: 12 FT
GL: 5389 FT

Current
(Updated 6/15/16)

12 1/4" Hole

9-5/8" 36# K-55 @ 383' w/ 350 sx

TOC @ 2325'

TOC @ 2335' (CBL – 9/9/80)

Tbg detail
(140) jts 2-7/8" 6.5-lb J-55/N-80 8rd IPC
(1) 2-7/8" Sitting Nipple
(1) 7" x 2-7/8" Loc-Set Packer
(RHS-RHR, Coated & Carbide Slips) **4350.66'**

Rod Detail:
N/A

Suspected HIC f(3434 – 3486')

Bottom Loc-Set PKR @ 4351' (June 2011)

GREEN RIVER

4a} 4449-4458' w/ 3 spf (Perf: 11/80)

5a2} 4808-4817' w/ 3 spf (Perf: 11/80)
5c} 4846-4856' w/ 3 spf (Perf: 11/80)

7b} 5096-5114' w/ 3 spf (Perf: 11/80)

8c} 5338-5358' w/ 3 spf (Perf: 11/80)
8d} 5396-5408' w/ 3 spf (Perf: 11/80)

La} 5430-5440' w/ 3 spf (Perf: 11/80)

Tag Fill @ 5502' (5/11)

8-3/4" Hole

7" 20, 23, 29# K-55, 29#, 32# N-80 @ 5635' w/ 665 sx

PBTD: 5502' (5/11)

TD: 5655'

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5.LEASE DESIGNATION AND SERIAL NUMBER: SL-066312

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: WALKER HOLLOW (GR)

1. TYPE OF WELL Water Injection Well

8. WELL NAME and NUMBER: WALKER HOLLOW U 43

2. NAME OF OPERATOR: CITATION OIL & GAS CORP

9. API NUMBER: 43047306870000

3. ADDRESS OF OPERATOR: 14077 Cutten Rd , Houston, TX, 77069

PHONE NUMBER: 281 891-1550 Ext

9. FIELD and POOL or WILDCAT: WALKER HOLLOW

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2975 FSL 1960 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 01 Township: 07.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☑ CASING REPAIR
☑ SUBSEQUENT REPORT Date of Work Completion: 6/27/2016	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
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	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please see attached documents.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
July 18, 2016

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sara Guthrie	281 891-1564	Regulatory Compliance Coordinator
SIGNATURE		**DATE**
N/A		7/15/2016

RECEIVED: Jul. 15, 2016

Walker Hollow Unit #43
API# 43-04730687

Subsequent Report; Casing Repair, Passed MIT
Completed Operations:

Day 1 – Moved rig onto location to find cause of MIT failure. Released packer, POOH tubing.

Day 2 – PU bailer and TIH tubing to make sure perfs were clear. Perfs clear, tagged fill below perfs at 5492', bailed extra rat hole from 5492'-5532'. POOH and LD bailer.

PU RBP and packer and TIH. Set RBP @ 4360'. Dumped 3 sacks of sand on RBP.

Day 3 – Isolated hole in casing to be between 3430' and 3498'. Unable to inject below 1000 psig. Injection rate 0.5 bpm at 1950 psig. Due to extremely low rate at high pressure, cement squeeze unlikely repair option. Choice made to use a high strength chemically formed polymer repair technique called sealmaker, or 300 psig

Day 4 - Released PKR, RIH to 3504' and left PKR loose. Circulated prod water out of hole with fresh water. RU "300 psig", spotted 850 gals to 3504'. Pull 2 stands and set PKR at 3375'. Pressured csg to 750 psi, leak off stopped. Gradually increased pressure in 500 psi increments to activate sealant, up to 2000 psig. Held 2000 psig on it over night

Day 5 – Bled off pressure. RE-pressured up to 1500 psi, held. Released PKR, RIH with 6 jts. EOT at 3560'. Circulated out residual "300 psig" chemical. Pulled up to 3375' to reseat PKR. Put 750 psi on csg. Test squeeze to 1500 for 30 mins, held good. POOH Laid dn PKR. RIH with retrieving head. Circulated sand of RBP, PU and POOH laying dn work string and RBP

Day 6 – PU packer and injection string, TIH and set packer at 4343'. Perform MIT, passed. SI well and wait for regulatory agency permission to resume injection.

RECEIVED: Jul. 15, 2016

Mechanical Integrity Test
Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 6/27/16
Test conducted by: _____
Others present: Jeff Oaks COGC Les Taylor BigRed

Well Name: Walker Hollow Unit #43 Type: ER (SWD) Status: AC TA UC
Field: Walker Hollow
Location: SW/NE Sec: 1 T 7 N/(S) R 23 (E)/W County: Uintah State: UT
Operator: Citation Oil & Gas
Last MIT: 6/15/16 Maximum Allowable Pressure: 1665 PSIG

Is this a regularly scheduled test? [ ] Yes [X] No
Initial test for permit? [ ] Yes [X] No
Test after well rework? [X] Yes [ ] No
Well injecting during test? [ ] Yes [X] No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: 0/0 psig

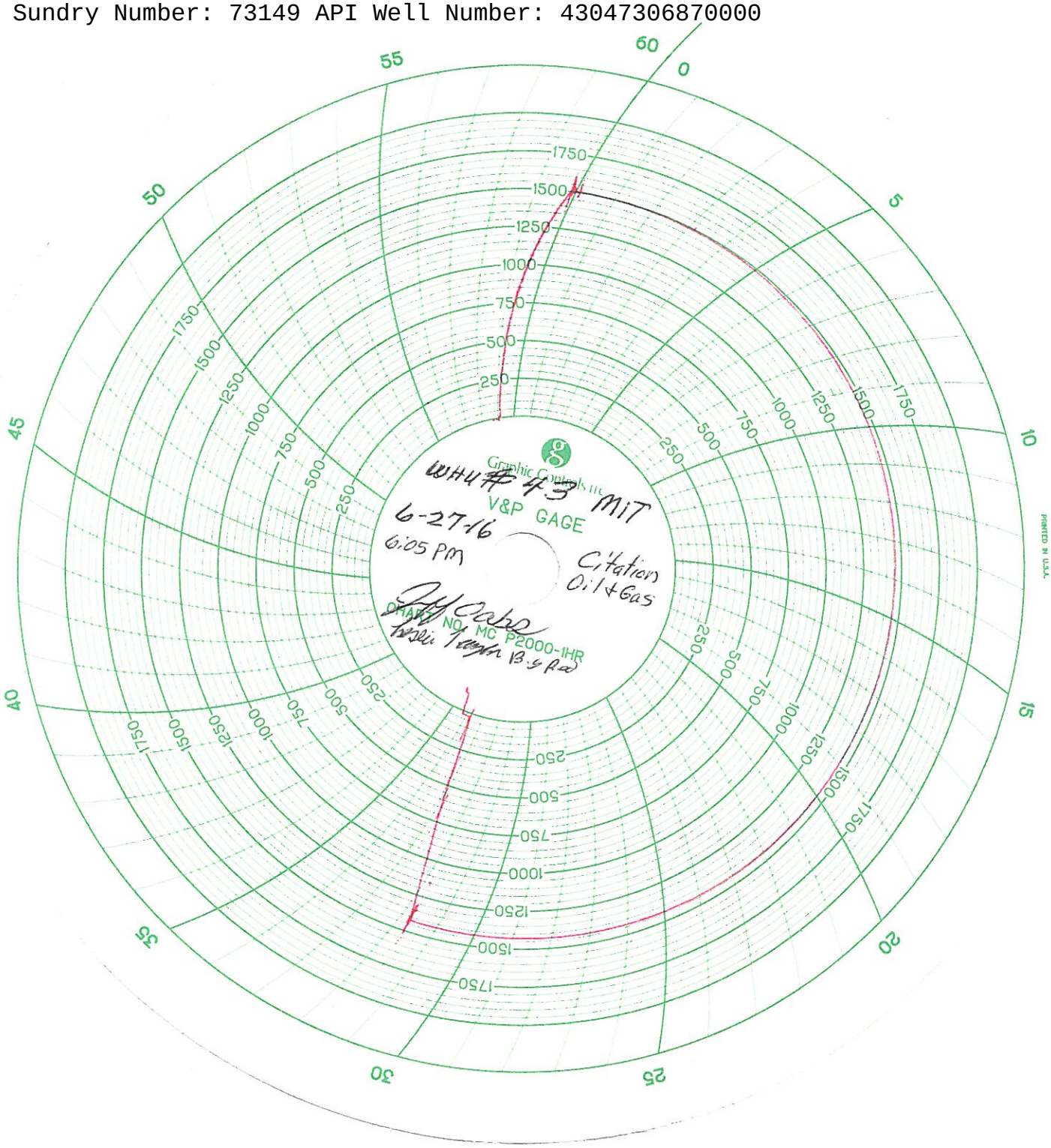
MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING	*PRESSURE*		
Initial Pressure	0 psig	psig	psig
End of test pressure	0 psig	psig	psig
CASING / TUBING	*ANNULUS*	*PRESSURE*	
0 minutes	1490 psig	psig	psig
5 minutes	1480 psig	psig	psig
10 minutes	1465 psig	psig	psig
15 minutes	1455 psig	psig	psig
20 minutes	1450 psig	psig	psig
25 minutes	1445 psig	psig	psig
30 minutes	1435 psig	psig	psig
31 minutes	1435 psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	[X] Pass [ ] Fail	[ ] Pass [ ] Fail	[ ] Pass [ ] Fail

Does the annulus pressure build back up after the test ? [ ] Yes [X] No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: Jeff Oaks Leslie Taylor Big Red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WHU #43 MIT
V&P GAGE
6-27-16
6:05 PM
Citation
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